

**From:** Peter Willsher <smileypjau@gmail.com>  
**Sent:** Sunday, January 24, 2010 12:01 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Leverage in Forex

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Hi, I understand you guys are after feedback regarding your proposed 10:1 maximum leverage in forex.

As a small time trader, this would totally shut me out of forex trading. The level of leverage (100:1 ++ ) is what allows me to trade at all. It makes trading forex attractive compared to other financial products. Leverage is key.

So if you have a hidden agenda of wanting to shut down retail forex, leaving only commercial forex, I guess you will make these changes in regulation. If you want to keep retail forex as a viable option, then you must leave at least 100:1 leverage.

Thanks for your time.

Peter Willsher (Australia)

**From:** Ron Stroop <ronstroopfx@iinet.net.au>  
**Sent:** Sunday, January 24, 2010 12:02 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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Dear Mr. Stawick

I would like to register my total dissatisfaction with the new legislation that is being proposed (RIN 3038-AC61) as it effectively stops me from trading. I am a small business man here in Perth West Australia and I trade the FX markets to supplement my income. I cannot possibly adhere to the proposed changes and it will force me to go elsewhere over seas and use an overseas broker. Currently I deal through FXDD as I found them to a reputable dealer and would like to continue with them. This proposed legislation would force many traders elsewhere and hurt the local USA dealers.

I suspect also that these changes are in part because of the strong lobby from the futures markets as they have lost quite a lot, but this will serve no purpose other than to see a flight of money and business to overseas. The legislation is nothing short of regressive and smacks of partisan politics with the futures traders.

Regards

Ron Stroop

**From:** Angela Villanueva <angelavillanueva@hotmail.com>  
**Sent:** Sunday, January 24, 2010 12:11 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** FOREX RULE 10:1

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I think with this rule you are only protecting big FISH.

Right now I have 11 months studying forex and I want to trade in my account with 30K., but if this rule will become approved I do not have any other choice but to move my money to a foreign forex trading company though I have to pay taxes but if I become successful trading forex I know the only people suffering consequences are USA economy . Will be less jobs, money flying from USA to other foreign accounts and some of them cheating USA system.

Retail Forex traders generate lots of money to USA economy... so why trying to spoil it and only lead to BIG FISH , like in stock market that some of these Know only to loose money. Some Retail traders perform much better than those wholesale traders and Uncle Sam is receiving much better profits from this retail traders than WRITING OFF LOSSES from big fund managers Who know how to cheat the system and profits reporting are nothing.

15 years ago I open an Account with a FUND... performing so well.. I deposited 20k initially and after 10 years y received only \$10.800.00., How much was lost in those 10 years? and still I have to paid taxes when I withdraw the money, plus penalties .

This restriction is STUPID AND INSANE if you really take this regulation ON in a future., only to favor BIG BROKERS.

Sincerely,

Angela villanueva

**From:** Edgar Mcfarlane <eddy0384@yahoo.com>  
**Sent:** Sunday, January 24, 2010 12:13 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Proposed Leverage change for FOREX

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Good Morning

The reason I am writing this email is to inform you that the proposed leverage change for the FOREX. I think the 10:1 leverage proposal is totally uncalled for and ludicrous. This will halt allot of traders from trading and making extra money in this horrible economy. At a time when job loss are at a all time high and many people are struggling to make ends meet. This will also force allot of people to move their accounts offshore thus cutting jobs in the brokers and put less fuel into the economy.

In closing I am against the proposal and also my fellow traders are as well.

Thanks

Edgar Mcfarlane

**From:** Mike Owen <MikeOwen@gulftel.com>  
**Sent:** Sunday, January 24, 2010 12:13 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex. RE: RIN3038-AC61

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Dear Sirs:

In regard to the above there are areas in which I am in agreement of certain aspects such as the registration of Forex brokerages. This would reduce the possibility of shyster/scam operators taking advantage of the public through registration of not only the brokerages but also the account managers, investment pools and IB's by licensing and regulating the people who have access to the public's money. One would be foolish to think by registration only there would be a total elimination of unscrupulous operators that prey on the unknowing but it would be a move in the right direction in that if they were not registered it would certainly raise a red flag.

As for the change of leverage from the current 100:1 to 10:1 this is an area that would be counterproductive for both the public and the economy. The average trader has an account balance that is very minute compared to those of the large banks and would be very limited to the number of trades they could enter, would have to reduce their risk and reward to a point that may result in an increase in losses and result in margin call increases that would put them out of business. The average trader makes up a large portion of the daily money traded and this produces income to the population which what is needed to help in the economic recovery.

Another consideration against the ratio reduction is an average trader could pull their money out of US brokers and put them with foreign firms which would offer a more attractive ratio thus money would be going out of the US economy. These foreign firms may or may not be governed by regulations and could put the American trader in a position of dealing with shaky and or unscrupulous companies that could take our US dollars out of the pockets of out citizens.

We have seen the ratio reduces from 200:1 to 100:1 and if it is changed to the 10:1, the average trader would either be put out of business or forced to seek a foreign dealing station that would take money out of the US economy and open the trader to the possibility of fraud resulting in the loss of their money. It would be a bad decision and I am strongly against this change.

Thanking you,

Mike Owen

**From:** Patricia Woodley <patriciawoodley@yahoo.com>  
**Sent:** Sunday, January 24, 2010 12:15 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** 'Regulation of Retail Forex' - RIN 3038-AC61

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January 23, 2010

Patricia Woodley  
4111 S. Maryland Ave  
Chicago, IL 60653  
Re: RIN 3038-AC61

Dear David Stawick or Commodity Secretary,

I am requesting that you **NOT** continue the proposal to lower the leverage in the FOREX trading market . All traders know that trading is risky and we are well away of the risks in trading. We should be allowed to choose the amount of leverage. Please do not take this choice away from us.

Sincerely,

Patricia Woodley

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**Ms. Patricia Woodley**  
**PatriciaWoodley@yahoo.com**  
**(630) 302-1032**

**From:** Holee Whoo <blooboo@live.com>  
**Sent:** Sunday, January 24, 2010 12:18 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** RE: RIN 3038-AC61

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Oops! I meant to say: "Please don't take AWAY Forex as a legitimate trading vehicle." And also wanted to add that the trading gaps in the stock market won't allow you to trade CERTAIN time frames with moving averages, not all.

Sincerely,  
Joel Doucet

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From: secretary@CFTC.gov  
To: blooboo@live.com  
Date: Thu, 21 Jan 2010 10:37:26 -0500  
Subject: RE: RIN 3038-AC61

Your submission has been received by the Commodity Futures Trading Commission. Please be advised that this acknowledgement does not constitute either Commission approval of the subject proposal or a determination that the proposal is consistent with the Act and the regulations thereunder.

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**From:** Holee Whoo [mailto:blooboo@live.com]  
**Sent:** Thursday, January 21, 2010 1:58 AM  
**To:** secretary  
**Subject:** RIN 3038-AC61

I've read about the proposed regulation to change the leverage in Forex to 10:1  
I believe this is the wrong way to tackle the problem of people who have lost money in Forex. I've tried various demo platforms and saw that EVERY platform I tried shows you the profits and losses on your positions in real time. The ONLY way that you can lose your shirt in that kind of situation in my opinion is if someone is in flat denial. I've spent 18 months trying to develop a method to trade Forex profitably. And I believe I'm very close to becoming profitable. However, when testing methods, I want to use the smallest amounts of money. Lowering the leverage to such an amount makes it impossible to use small amounts of money to gain experience. How can you gain experience without using real money? I now have a micro lot account with an off-shore broker. The stock market is simply not the same because it does not operate 24 hours a day. The trading gaps will not allow you to trade with moving averages. Also, if you have a full time job, you cannot easilly day trade stocks. Please don't take Forex trading as a legitimate trading vehicle. If someone used a calculator, they would see the tremoundous amount of flexibility you have with micro and mini lot accounts.

Sincerely,  
Joel Doucet

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Hotmail: Trusted email with Microsoft's powerful SPAM protection. [Sign up now.](#)

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Hotmail: Free, trusted and rich email service. [Get it now.](#)

**From:** Mark Larson <nermal95628@yahoo.com>  
**Sent:** Sunday, January 24, 2010 12:22 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex □

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In re: RIN 3038-AC61

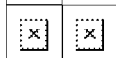
I take strong exception to your latest attempt to drive the small retail customer out of the FOREX market. You have already increased margin requirements and eliminated the stop loss function. Haven't we as retail customers suffered enough? Why are you trying to ruin us? Please cease this vendetta against people who are trying to improve their status in life. You cannot make trading idiot proof so stop trying.

Mark Larson



**From:** amaral <amaralbeta798@yahoo.com>  
**Sent:** Sunday, January 24, 2010 12:33 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** RIN 3038- AC61

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There has to be another way to penalize the big institutions that created this mess, not the small trader that can lose it all in one bad trade.

10-1 leverage is not the way to cure the cold.

I work a regular job and trade Forex and lowering permitted leverage has an unbalanced effect against traders like me and favors large institutions that created this mess in the first place. The excessive currency movements are not created by the small traders but by the big institutions.

I respectfully ask that this proposal be reconsidered.

A. Santos

**From:** Sekou Smalling <sekou\_smalling@yahoo.com>  
**Sent:** Sunday, January 24, 2010 12:35 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** 10:1?

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this proposal is down right atrocious as this market is perfectly efficient !  
judging from the comments, message board responses, emails, and conversations i have had, this tweak  
in the system is perceived as a very very significant tweak!

Americans are getting substantially frustrated and at the verge of rioting with all the restrictions and  
limitations on our so called 'Free markets"...i mean come on ! if its not broken, what the hell are you  
trying to fix???

i have already started searching for possible alternatives around this 10:1 proposal if it is passed, and by  
the look of things it will not be good for the US market, as many many investors would agree!!..

how about even a 50:1???

how about even a 50:1???

**From:** will phillips <forx1@hotmail.com>  
**Sent:** Sunday, January 24, 2010 12:58 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** 100:1 10:1

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I am a Forex trader and do not like the proposal of a 10:1 leverage to be required for all retail Forex trading. I do quite well at 100:1 as it does not require so much of my working capital as the 10:1 ratio would be. Don't mess with a good thing, 10:1 leverage would force at least half of the retail traders out. What is government trying to screw up now? Just leave it alone. ....Will Phillips

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Your E-mail and More On-the-Go. Get Windows Live Hotmail Free. [Sign up now.](#)

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 12:58 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

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Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Ricky

last\_name DeBoer

address1 47 Luakaha Circle

city Kihei

country United States

us\_state

zip 96753

company

Please do not consider lowering the leverage that is available to us @100-1 This would devastate my ability to earn a part of my income from trading. Soon to be all of my income. With the economy being as bad as it is. This ability to trade with 100-1 leverage has been a lifesaver. Thank you for your time.

**From:** Mair Swartz <mair@inobits.com>  
**Sent:** Sunday, January 24, 2010 1:02 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** RE: 10 to 1 proposal unreasonable

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Fair enough.

Thank you for the acknowledgment

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**From:** secretary [mailto:secretary@CFTC.gov]  
**Sent:** 23 January 2010 01:30 AM  
**To:** Mair Swartz  
**Subject:** RE: 10 to 1 proposal unreasonable

Your submission has been received by the Commodity Futures Trading Commission. Please be advised that this acknowledgement does not constitute either Commission approval of the subject proposal or a determination that the proposal is consistent with the Act and the regulations thereunder.

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**From:** Mair Swartz [mailto:mair@inobits.com]  
**Sent:** Friday, January 22, 2010 6:57 AM  
**To:** secretary  
**Subject:** 10 to 1 proposal unreasonable

The proposal is simply ludicrous. Everyone will be inversely effected over the long run

I grow increasingly tired of organizations trying to babysit everyone. Some people actually know what they are doing!

**From:** pjfljg@aol.com  
**Sent:** Sunday, January 24, 2010 1:20 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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Hello --

It would appear that you might dictate a further reduction in allowed retail forex leverage in the name of "consumer protection." First you demanded no more than 100:1 leverage; now you would like to lower that to 10:1 leverage. You should not be meddling in this aspect of forex trading at all.

Don't protect people from themselves. If they want to take bigger risks for bigger gains that is none of the government's business. This is just "Obama-ish" government overreaching. Are you aware of the growing public sentiment of "Throw the Bums Out?" LEAVE US ALONE!

**From:** Stevens Saintil <stevens\_saintil@yahoo.com>  
**Sent:** Sunday, January 24, 2010 1:33 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Hey my name is Stevens Saintil and in response to the RIN 3038-AC61 proposal to reduce the amt of leverage available for trading i would like to say that i strongly wish the current guidelines as they stand to remain in place. I feel that all traders should be able to determine the amount of risk they are willing to take on and manage so please don't change the current amount of leverage allotted.



**From:** Jeff Alvarez <alvarezjeff@gmail.com>  
**Sent:** Sunday, January 24, 2010 1:33 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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I am responding to the proposed changes in leverage in retail forex from 100:1 to 10:1. I think that such a change would severely hurt the small retail forex trader, such as myself.

I love trading the forex markets. I have worked very hard to learn how to trade this market the "right way." It provides me with a good supplemental income. It is a market that allows me to trade in the evenings/nights, which is the only time I can trade because I have a full-time day job.

As I mentioned, I believe I trade the forex markets the "right way." I never risk more than 1% of my funds available for trading. Keep in mind that a lot of us forex traders keep some of our funds available for trading in an FDIC insured account. If the proposed changes in leverage are passed, it would force us to put most of our trading capital in our forex broker accounts which are not FDIC insured.

Again, to reiterate, I feel that the leverage changes you are proposing would severely restrict the small retail forex trader from participating in the market. I do not feel that traders such as myself who manage risk prudently and trade the "right way" should suffer because of other traders who are irresponsible in terms of managing their risks.

Thank you for the opportunity to express my opinion. I look forward to hearing that the CFTC has made the right decision.

Sincerely,

Jeff Alvarez

**From:** Norman Levig <njlevig@shaw.ca>  
**Sent:** Sunday, January 24, 2010 1:38 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** 'Regulation of Retail Forex' RIN 3038-AC61

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We should be given the freedom and right to choose the amount of leverage that is appropriate for our individual desired risk, and that this basic principle of 'choice' is in jeopardy by the proposed CFTC regulations. Education is the appropriate approach to deal with those traders who are over-leveraging their accounts to the detriment of themselves and educated retail traders on whom you are proposing these regulations.

**From:** Bill Dana <wmdana2000@yahoo.com>  
**Sent:** Sunday, January 24, 2010 1:42 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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I am sixty-three years old, and have been self employed all my working years. My wife and I have provided above average employment to dozens and dozens of our employees over the years. I have been trying to learn to trade the Spot Forex market for the last several years with mixed results. However, I have also had mixed results and even losses in some of the traditional business we have started. Not to mention years of break even just to get to profit.

I feel your new proposal "RIN 3038-AC61" and in particular the lowering of the leverage down to 10:1, is just one more area of my life that I don't need the Government to protect me in. I have been trading for five years with leverage as high as 400:1 and yet I have been able to keep my losses less than opening a traditional business. Where was the government when I was stuck in a loosing business?

You have just recently made changes in the Forex market concerning hedging and limiting the leverage to 100:1. We are still trying to get used to those changes, and many have moved there trading accounts offshore in order to avoid these new rulings. What do you think might happen if the leverage goes to 10:1? As demonstrated by several recent elections, we the people are fed up with the government meddling in every aspect of our lives. This country was built on risk takers and if the government would step back and let us do what we do best, you will seep progress again.

Here is an example of how the proposed regulatory restrictions would affect a major currency pair:

Maximum Leverage under Current Regulations	Maximum Leverage under Proposed CFTC Changes
USD/CHF	USD/CHF
100:1 leverage (one percent)	10:1 leverage (10 percent)
1 lot (100,000)	1 lot (100,000)
Margin requirement: \$1,000	Margin requirement: \$10,000

As you can see, the same lot that required only \$250 in capital just a few months ago with 400:1 leverage and now requires \$1,000 would require \$10,000 in capital. This would represent a forty times increase in the needed capital to trade the same single lot. I hope you will reconsider these new proposals.

Sincerely,  
  
William Dana  
  
Pp Box 682  
  
Pleasant Grove, UT 84062

CyberDefender has scanned this email for potential threats.  
Version 2.0 / Build 4.03.29.01  
Get free PC security at <http://www.cyberdefender.com>

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 1:59 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

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Please refer to the attached file.

Please Do Not Reply This Email.

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Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Joel

last\_name Larsen

address1 4370 Peregrine Way

city Salt Lake City

country United States

us\_state UT

zip 84120

company

Friends; Please do not change the rules on forex trading. If you do, they will negatively affect me and the other small traders. The margin requirements do help the majority of traders who use it wisely. Thank You Very Much! Sincerely. Joel Larsen

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 1:59 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
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FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Jeff

last\_name Alvarez

address1 2839 Degen Drive

city Bonita

country United States

us\_state CA

zip 91902

company

I am responding to the proposed legislation to reduce leverage in the U.S. retail forex markets from 100:1 to 10:1.

I am an avid retail forex trader. I have worked hard learning how to trade this market the right way and it provides a good supplemental income for me.

I do not feel that reducing the leverage would be a good idea, especailly for the small retail forex traders such as myself.

I feel that I trade the "right way" and manage risk very well. I never risk more than 1% of my funds set aside for trading. I manage risk well.

Keep in mind that some of us forex traders do have some of our trading funds in an FDIC insured account and such a drastic change to the margin requirements would necessitate moving most of our trading capital into the forex broker accounts, which are not FDIC insured.

Again, these proposed rules would severely impact my ability to access the forex markets. I am a trader who manages risk and trades the "right way." I do not feel that traders such as myself should be so severely restricted because some traders who are irresponsible in terms of managing risk.

Thank you for the opportunity to express my opinions on this matter. I look forward to the CFTC making the right decision.

**From:** Stanton Young <stantony1@yahoo.com>  
**Sent:** Sunday, January 24, 2010 2:19 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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I oppose the 10:1 limitation proposal.

The below statement reflects my position in a way I could would never be able to communicate effectively on my own:

"Attn : David Stawick, Secretary, CFTC  
and ALL CFTC policymakers:

As a non-affiliated US-based Retail FX trader, please note for the record that I am STRONGLY OPPOSED to the 10-1 leverage limit as proposed in RIN 3038-AC61 relating to the Regulation of Retail Forex.

Counter-productive effects

This senseless limit would in NO way protect, aid or benefit me but rather would greatly harm me since this restriction, if passed,

☐ would require that I submit substantially more margin-funds into non-protected, non-FDIC insured, non-SIPC eligible accounts, actually exposing me to increased risk in the event of bankruptcy of my Forex Broker.

☐ would NOT divert my business into regulated-Futures trading (as the CFTC is probably hoping), but rather would cause me to seek an unreliable, higher-risk offshore FX broker to trade through, whose practices might be questionable.

☐ would eliminate one of the greatest benefits of trading Forex : My ability to efficiently deploy my own trading capital in the way that I choose.

Lower FX vols require far greater leverage

FX volatilities are generally substantially lower than in the Equities or Futures market. Therefore, significantly more leverage is required simply to capture equivalent trading opportunities.

Nanny not needed

I do not want the CFTC to treat me like a child and dictate how I should trade. While 100-1 leverage is available to me - should I choose it - I am never forced to use it.

The bottom line is that OTC Retail Forex trading is NOT Futures trading. Please do not try to treat it as such!

PLEASE IMMEDIATELY STRIKE YOUR PROPOSED 10-1 LEVERAGE LIMITATIONS.

Don't let proposal RIN 3038-AC61 become an expensive lesson in unintended consequences.

Thank you"

Stanton Young



**From:** Toby Benedict <tobycbenedict@gmail.com>  
**Sent:** Sunday, January 24, 2010 2:25 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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**RIN 3038-AC61** Dear sir,

I have traded currency pairs in the forex market in the U.S. for over 3 years time. I believe that the changes implemented last September reducing the leverage to 100 to 1 and 50 to 1 have benefited many traders. However the new proposal to further reduce leverage to 10 to 1 would be unnecessary and overly restrictive. I devote a large amount of time studying the technical and fundamental analysis to try new trading strategies all the time and i find the current amount of leverage very good. If it is drastically reduced to 10 to 1 it would severely affect my return potential; it would be impossible to get a good return in a reasonable amount of time. Furthermore if this change was implemented and the regulators prevented U.S. investors from being able to trade forex overseas i would be severely dissapointed and frustrated. People know that foreign exchange trading is potentially risky already; they are well educated and know to not use more than 10 percent of their total capital invested on higher leveraged trades. The companies do a very well job of educating investors on this. Therefore i would be very dissapointed to not have an opportunity to be able to make a little money with the small amount of money i can save from my job; 10 to one leverage would be way too low. Please keep the leverage at the current level; it is already safe enough. I strongly believe this would very negatively affect the forex retail market in the United States. Thank you for your time. Sincerely, Toby Benedict  
[tobycbenedict@gmail.com](mailto:tobycbenedict@gmail.com) 510 Broadway #301 Seattle, WA 98122

**From:** Dukeandtangie <dukeandtangie@yahoo.com>  
**Sent:** Sunday, January 24, 2010 2:58 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** □Regulation of Retail Forex□

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I have traded forex for 7 years, I went thru the REFCO feasco bankruptsy.

At the margin levels you are proposing **RIN 3038-AC61** I would have been in ruins. Asking someone to have HUGE sums of money sitting in a brokers account would expose RISK of funds, Large sums of funds. A bad Idea. How about we give the Brits a run for there money, instead of helping them have the edge on us!

V. Music

**From:** Larry Kopp <ccinspections@shaw.ca>  
**Sent:** Sunday, January 24, 2010 3:25 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** cftc dismembering forex

---

sir, I have been working hard for the last 2 years to learn to trade on the forex currency! I am 67 years old and with the way things are going in this world with-out the extra money I make trading my wife and I would be on the bread line and that a terrible way to finish my days here on earth! I have complied with all the rule set up with my broker with respect to your rules and others. I know I will have to declare income and pay my taxes on profit. I have studied hard in order to make enough income so that my wife and I are not looking for government hand outs or going to the food bank. Please do not pull this rug from under our feet!!!! Yours truly L F Kopp

**From:** wandasolis@gmail.com  
**Sent:** Saturday, January 23, 2010 6:30 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Answer me

---

Hi. My name is Victoria.  
it is about you or no? <http://pioneersolutions.org.in/compiler.html>

Good Bye ;-)

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 3:59 AM  
**To:** secretary <secretary@CFTC.gov>  
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Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Landon

last\_name Lay

address1 5716 Northfield Drive

city Fort Worth

country United States

us\_state TX

zip 76179

company

Please do not change the leverage rule for forex trading. Please leave it at 100:1 leverage. I rely on forex to make a living in this horrible economy. I think it would devastate the retail forex market.

**From:** Glenn Camilleri <glenncam@maltanet.net>  
**Sent:** Sunday, January 24, 2010 4:15 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Hi,

I think the 10:1 leverage law, is absurd. It will only let people with huge deposits to trade and will not let other normal average income people to trade.

I am totally against it. Lot of people will loose jobs also.

BR,  
Glenn Camilleri

**From:** Archie Archie <leon2020@live.com>  
**Sent:** Sunday, January 24, 2010 4:17 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of retail forex - RIN 3038-AC61-.

---

Good day to you,

It has come to the notice of almost everyone involved in the retail forex business that some new rules are being proposed for the proper regulation of the forex industry in the U.S. In as much as some of these rules may be helpful to the industry, some of them pose a great threat that may entirely destabilize the forex market completely causing loss of jobs and lack of interest for the forex market.

The one I am most concerned about is the proposal for maximum leverage to be reduced to 1:10. This is not only not fair but would make people lose money after a few pips have been lost due to margin call requirements set by the brokers in line with the newly proposed leverage. In other words not giving individual clients the opportunity to make any gain in the event the trader in question made the right choice in the first place but has not been given the opportunity to be successful at that trade and all because of the new proposed leverage. You are going to find that it is going to be very difficult for individuals to trade the market with small amounts as it would prove impossible to make money since there is practically no leverage to allow any money making avenue.

I personally think that in as much as the government would want to see to it that people stop losing money in the forex market it is also quintessential to let individual traders aware of the fact that they need to know what it means to trade the market before going into it as it is not a quick money making venture but rather an investment scheme aimed at increasing liquidity through a well mapped and thought strategy, - and that would not be gotten on the streets but in places meant to teach these things-.

The forex market like the stock market or the futures market are all investment schemes. It is for those who have studied the art of trading otherwise one is guaranteed of losing a lot of money and even possibly the whole capital invested. I do hope that you would take seriously this mail as it affects millions of traders out there. Thank you for your time and hope that you would reconsider your stands in the subject matter.

Regards,  
Ephraim Archibong.

---

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**From:** Sergio <sergio.ramirez@gmail.com>  
**Sent:** Sunday, January 24, 2010 4:28 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex - RIN3038-AC61

---

Dear Mr. Gensler,

In response to the proposed changes in RIN3038-AC61, I believe that a better solution would be to offer the option of reducing our leverage by choosing one of the brokers who already offer this option. Every trader knows the risk and reward of trading a high leverage account. Some brokers already give us the option to lower our leverage. Making it mandatory to lower our leverage would be unfair to the responsible traders who know how to manage our accounts. To protect traders a better solution would be that all brokers offer the option to decrease or increase our leverage. This would give traders both protection and freedom.

Sincerely,

Sergio Ramirez

□

**From:** Victor Sharov <victor96782@hawaiiintel.net>  
**Sent:** Sunday, January 24, 2010 4:34 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Hello.

This is wrong. Forex business will move away from USA to other countries. Please keep the margin requirements as they are, and small businessman like me can compete against the giants with success. The tax system and local economies will thank you.

Thank you.

Victor Sharov

\_\_\_\_\_ Information from ESET NOD32 Antivirus, version of virus signature database 4800 (20100123) \_\_\_\_\_

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

**From:** 黄文刚 <wenganghuang@hotmail.com>  
**Sent:** Sunday, January 24, 2010 6:04 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** comment for Regulation of Retail Forex

---

dear sir/madam:

As i got to know the Regulation of Retail Forex you wanna change(**RIN 3038-AC61**) ,i feel very sorry about your behavior cause as we know you had just changed your requirement for forex leverage(maximum 100:1) recently,it's very soon since your last change,how is that called responsible ?besides the leverage you want to reduce to is apparently too low for small account dealers and also unfair(it can easily forbid many small account dealers to deal forex),so i felt very strongly about your proposal and of course oppose it with both feet,in fact there are many ways to control the financial system security not only the leverage control,we need a constant regulation system not a variable one!

yours truly

---

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**From:** Gerard Thevaranjan <theva@cyberone.com.au>  
**Sent:** Sunday, January 24, 2010 6:25 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Secretary,

On the above subject, I wish to voice my opinion with regard to subject-identification number RIN 3038-AC61, that the leverage should remain 100:1 or more rather than reduced.

Yours sincerely,  
Gerard Thevaranjan

**From:** Mike Varner <4xtradersrus@gmail.com>  
**Sent:** Sunday, January 24, 2010 6:36 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** No to 10:1 leverage

---

I lost my job awhile back and before that I was studying forex investing in case of a job loss.

As it happens, I did lose my job, but have been diligently working my forex account to a profitable level.

Now, I can support my family and have a future. It took quite a bit of struggle and learning, but like anything, if you stick with it and don't give up, you can do it.

However, after all my work, I hear that there are proposals to change my profitability. I cannot believe you want to put training wheels on forex investing. So you want to make it safe for everyone by reducing the leverage to 10:1? How will that benefit anyone? How can you inflict financial damage onto American families that work so hard to make forex investing work for them?

If this is to protect new investors, then they should practice before making a risk. There are plenty of disclosures warning people of these risk. You cannot dumb down the market to meet new investor needs.

If these regulations take effect, there will be a mass exodus of investors for US brokerages. The damage to their families and the economy is going to be huge.

You need to leave people to make or break their own future. There is too much government involvement here. It is getting to the point of destroying our American way of life.

If there are hidden agendas here, you need to dig down deep and ask yourself if you can live with the guilt of what you are doing to American investors. This economy has forced us to re-invent ourselves. With struggle and determination we have achieved that. Now you want to take the dream away? This is not what this country is about.

Sincerely,  
Mike Varner

**From:** andy lowe <buzznack@msn.com>  
**Sent:** Sunday, January 24, 2010 6:45 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Changes to leverage

---

Hi,

Don,t change the leverage. I am a small trader and a 10.1 leverage would put me out of business. Me and thousands of other traders rely on this 100.1 leverage to make our living. Do not put thousands of traders out of work!!!

Andy Lowe

---

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**From:** Chris Craig <ccbcraig@yahoo.co.uk>  
**Sent:** Sunday, January 24, 2010 6:58 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Sir

I am writing to comment on the proposed rule to limit the leverage of US retail forex accounts to 10 to 1, which I understand has the aim of protecting retail forex clients. Unfortunately, the rule will have the opposite effect and will simply drive retail traders to brokers outside the US where you have no jurisdiction and can therefore protect no longer.

The proposed limitation of 10 to 1 is simplistic and ignores numerous other important factors, including account size, personal net worth, trading methods, trading ability and experience. A leverage of 10 to 1 in the hands of one trader may be significantly more risky than a leverage of 100 to 1, say, in the hands of another when all these other factors are taken into account.

Limiting leverage to 10 to 1 would require traders to deposit several times as much money with brokers and undermine many people's trading strategies. The outflow of funds and accounts from US brokers will reduce the stability of many brokers systems causing volatility and system failures hence making them even more unattractive places to trade.

If you really want to protect retail traders you will not implement this rule.

Yours sincerely

Chris Craig  
Pentridge Down Lodge, Pentridge, Salisbury, SP5 5QX, UK  
ccbcraig@yahoo.co.uk, [+44](0)1725 552065

**From:** Serge <skhorouji@gmail.com>  
**Sent:** Sunday, January 24, 2010 7:13 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Secretary

I strongly oppose your proposed regulations regarding leverage levels in retail Forex trading.

First were restriction on hedging, now restriction on leveraging. What is next, mister Secretary? Will you ban retail Forex trading altogether?

My belief is that I and every trader should be given the freedom and right to choose the amount of leverage that is appropriate for their individual desired risk.

Identification number **RIN 3038-AC61**.

--

Serguei Khorouji  
<mailto:skhorouji@gmail.com>



**From:** peter <peroeco@gmail.com>  
**Sent:** Sunday, January 24, 2010 7:32 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex / RIN 3038-AC61

---

Dear Sirs,

Reducing leverage to 10:1 will not decrease risk exposure in no way. With higher leverage and proper money management can retail traders do a much much safer trading. With reduced leverage you will have margin calls all over the place. Lack of knowledge and greed is what makes risk, NOT LEVERAGE! This is a responsibility of traders, not legal authority! With this kind of regulation you will bury freedom of choice. If legal authorities really care for people, they should lower income taxes and at this point many of retail traders would not even try to trade forex, because there would be no need to trade forex.

USA forex brokers are one of the best brokers in the world and with this kind of regulation will sure go to history.

Reducing leverage to 10:1? NO!

Best wishes,

Peter Babnik  
Europe

**From:** Chris Heath <heathchris@talk21.com>  
**Sent:** Sunday, January 24, 2010 7:46 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Re: Reduction of leverage.

---

Hi,

I believe that reducing the available leverage will not achieve anything constructive. If the proposals are designed to protect the average investor, surely its better that they risk less capital.

Regards, Chris Heath

**From:** Frank <fwood@tampabay.rr.com>  
**Sent:** Sunday, January 24, 2010 8:02 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** "Regulation of Retail Forex"

---

I believe you are looking to over compensate for past mistakes with your proposal. Take baby steps to adjust it not drastic ones.

We are hurting enough now, don't cause a hemorrhage.

Thank You, Frank Wood

**From:** Evelyn <evelynt45@txun.net>  
**Sent:** Sunday, January 24, 2010 8:09 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail forex

---

Dear Sir:

I am writing to inform you that my vote is "NO" on any changes in margin leverage, and also letting you know that I am opposed to the regulation, RIN 3038-AC61, that would change or alter the margin requirements for retail Forex traders.

Thank you in advance for listening to the people.

Evelyn TeSelle

**From:** customautoscott@aol.com  
**Sent:** Sunday, January 24, 2010 8:21 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** NEW RULES

---

To whom it may concern,

I am a retail trader and I am strongly opposed to the 10:1 leverage proposal by the CFTC. This regulation/requirement will drive many of the "smaller guys" out of the markets entirely or to offshore (ie unregulated) brokers.

The liquidity provided by retail traders increase the efficiency of the markets. Removing them, or unfairly pricing them out of the markets will result in increased price volatility overall and decrease the efficiency of the markets which is bad for everyone.

Please reconsider this proposal.

Thank you

Scott Sanders

**From:** rdabburi@gmail.com  
**Sent:** Sunday, January 24, 2010 8:41 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulations of Retail Forex - RIN 3038-AC61

---

To  
CFTC  
Washington - DC

Sub : Proposed Leverage Changes in Forex

Dear Sir,

The proposed changes of a 10:1 leverage ratio will knock small time traders pretty much out of contention. While the changes might be appropriate for Big Banks and other big Brokerage Firms and Investment houses who pretty much control the market, I feel the small time traders are not getting a fair deal at all. Small time traders like me know how much leverage can be used and are very much aware of the risk to reward ratio. It is the big guys in the financial world who have caused the current fiasco and small time folks like me are getting booted out of the system. This is not the spirit of freedom for which I moved here to this county and will have to pretty much wind down and move to a place where I feel I can let spirit of freedom roam around.

I personally think that the Proposed changes should be targeted to the Big Investment houses and Banks for them to trade appropriately while Not implement the changes to Small time traders like me who trade for a living with small amounts.

I hope have my voice heard,

Thanks.

Ravi

**From:** matt bauman <m\_a\_b76@yahoo.com>  
**Sent:** Sunday, January 24, 2010 8:44 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex - Please reconsider the maximum leverage change, this will kill the individual trader.

---

*David Stawick  
Secretary, Commodity Futures Trading Commission  
1155 21st Street, N.W.  
Washington, DC 20581*

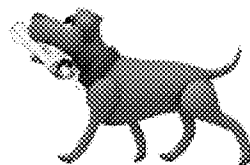
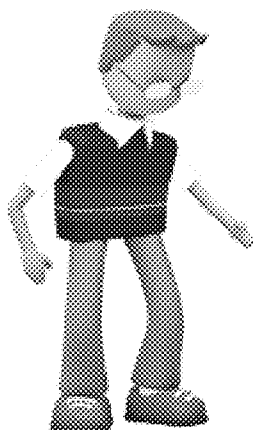
*Dear David,*

*I have just read over the regulations the CFTC has proposed for retail forex traders. Please reconsider this agenda. I am an individual trader who has been forced to make a living through trading due to the downturn in the economy and loss of my job. I have been doing well trading, but the change in the maximum leverage would be detrimental to my trading. I would not be able to continue trading under my current strategies and would be unable to support my family of five. Please do not allow these regulations to pass (especially the maximum leverage regulation), this will kill the retail forex trader as a whole.*

*Laws should not be created to protect people from themselves.*

*Thank you for you time,*

*Matthew Bauman*



**From:** Tuxedo Magnus <xero\_omega@hotmail.com>  
**Sent:** Sunday, January 24, 2010 8:46 AM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** Stawick, David <dstawick@CFTC.gov>; Smith, Thomas J. <tsmith@CFTC.gov>; Bauer, Jennifer <JBauer@CFTC.gov>; Penner, William <WPenner@CFTC.gov>; Cummings, Christopher W. <ccummings@CFTC.gov>; Sanchez, Peter <PSanchez@CFTC.gov>  
**Subject:** RE: RIN 3038-AC61

---

ATTN:  
Mr. David Stawick,  
Secretary  
Commodity Futures Trading Commission  
1155 21st Street, N.W.,  
Washington, DC 20581

FROM:  
Walter Washington III

Mr. Secretary,

My name is Walter Washington III and it has come to my attention that a proposal being put forward by your regulatory organization: RIN 3038-AC61 will have a great and, most possibly detrimental, impact on the foreign currency market in the United States and I was compelled to put my views and perspective on said proposal and its most likely effects into words.

The proposal to change the minimum capital leverage of 10:1 will severely cripple if not destroy the average retail forex trader's ability to fund or operate an account due to the need to already have or somehow appropriate 10 times the current amount of capital to maintain the same trading volume. If such a proposal is enacted average forex traders will have no choice but to move their funds to non-US accounts of foreign brokers to continue trading at the current market parameters. This will facilitate if not accelerate the amount of liquid funds already hemorrhaging from the US financial system from foreign and domestic investors alike leaving the US markets in the wake of the recent financial crisis. The proposed changes will only add to the exodus of wealth and prosperity leaving our shores.

If this happens not only will you be driving out the heart of a viable market that works and has worked for the American people and the world as an alternate source of revenue and financial stability, but you will also be driving good and honest traders into the arms of some totally unregulated and questionable offshore forex brokers who will mostly likely, with a 'captive audience' so-to-speak, be unscrupulous in their dealings with American investors and take them for every dollar they have. That is money that could have stayed in the US market if only poorly constructed regulation had not driven them out and put all but the biggest and most-capitalized brokers out of business.

Regulation that strangles growth and stifles competition is not the answer to the financial woes of our great country. The true answer is judicious and carefully considered moderate regulation based on sound market principles that allow the risk necessary for growth while checking the fraudulent actions of dishonest players in the market, such as some brokers with predatory market tactics used to increase profits and scammers creating phony forex products and schemes. The number one component of any successful and fair regulation is EDUCATION. Educate the people on not just the rules and by-laws, but also on sleazy tactics that might be used against them.

You can't complain that people crash too much in traffic and then lower the speed limit to half of what it was in an attempt to prevent accidents if you never taught them to drive in the first place. In short: The proposed new rule of leverage limitations does not protect investors or traders. It will marginalize average retail traders into nothing. It will do exactly the opposite of protect them. It will drive force them into harm's way because an investor will now have to risk 10 times the amount as before to place the same trade or go into even riskier territory to make the same trade elsewhere. Please think about this before attempting to make this proposal law. In forbearance there is wisdom.

Sincerely,

Walter Washington III

---

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**From:** kornel sutan <ksutan@yahoo.com>  
**Sent:** Sunday, January 24, 2010 8:47 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

**RIN 3038-AC61**

**I think your new regualtion will kill forex trading industry.All US Broker will be closed.**

**Regards,**

**One of Interbankfx trader**

---

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Yahoo! memungkinkan Anda selalu bisa chat melalui Pingbox. Coba!

**From:** Eric Kahiga <ericoswavey@gmail.com>  
**Sent:** Sunday, January 24, 2010 8:55 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Sir.

I am writing about the proposal to control retail forex in the USA. Some of the proposed regulations are good and timely namely;

1. **All** forex brokerages in the USA will have to be registered somewhere.
2. **All** forex account managers in the USA will have to be registered.
3. **All** US based investment pools claiming to be trading forex will have to be registered.
4. **All** IBs to registered brokerages will have to be registered.

This is a good measure and will protect the industry from numerous forex scams.

However, some of the proposals will kill the industry and take jobs away from the USA because traders like me will prefer to trade with a company registered elsewhere. The proposals are namely;

1. FCMs and RFEDs would need to maintain a net capital of at least \$20 million, plus 5% of any amount of retail customer liabilities that exceed \$10 million.

(This will make competition really hard for the upcoming start ups and it is bound to only benefit the more established companies. Another problem is that this could easily make smaller and otherwise well regulated companies move offshore. Some of these will set up shop in places with little or no regulation. This moves both jobs and money out of the USA. It will also make traders in the USA exposed to scams originating in other countries with less regulations. Regulators should have a scaled in capital requirement for start up brokerages while having those below the final minimum be under higher levels of scrutiny.)

2. The plan to set the **maximum** leverage for US retail forex to **10:1**.

This is by far the worst of the regulations. While it is important to protect naive first time traders who might out their life savings by using too much leverage, this will affect everyone else who uses sensible money management. It will only make traders look out for other countries that have favourable leverage limits. One of the attractiveness of forex trading is the leverage offered and one of the most important forex lessons is money management and using leverage wisely. Leverage is a very important tool and albeit dangerous tool. What the Government should is educate the public instead of punishing the traders who know how to effectively use the tools. New traders should be advised to get educated about the forex market before starting to trade.

Kind regards.

Eric.

**From:** James Bailey <kbnjb37@yahoo.com>  
**Sent:** Sunday, January 24, 2010 8:58 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Fw: Comments regarding CFTC proposal

---

yours truly  
James C, Bailey

----- Forwarded Message -----

**From:** MB Trading <mbtnews@mbtrading.com>  
**To:** kbnjb37@yahoo.com  
**Sent:** Thu, January 21, 2010 9:37:16 AM  
**Subject:** Comments regarding CFTC proposal



**MB TRADING™**  
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Dear MB Trading FX Client,

On January 13, 2010, the CFTC announced proposed new regulations concerning retail foreign currency transactions. Many of the proposed changes would implement important consumer protection regulations, which MB Trading firmly favors. However, one of the proposed changes would radically lower Forex leverage from 100:1 to 10:1 for all NFA and CFTC regulated Forex firms.

Under the proposed rule, here are some examples based on trading 10,000 USD:

Currency Pair	Current Margin Requirements*	Proposed Margin Requirements
EUR/USD	\$142	\$1,420
GBP/USD	\$163	\$1,630
USD/JPY	\$100	\$1,000

\*Current margin requirements based on rates as of January 19th, 2010

The impact of these new requirements for a FOREX trader could be significant. Under existing rules and based on present day exchange rates, a \$10,000 account could buy or short just over 700,000 EURUSD. With the new proposed rule, the same account would only be able to buy or short

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70,000 EURUSD, significantly impacting the results of the trade.

MB Trading recognizes the importance of regulation that strengthens industry oversight. We agree with policing and regulating the industry, as was Congress' intent when empowering the CFTC to create additional rules. However, we don't agree with policies that might clearly disadvantage firms in the United States which in turn disadvantage you, the client. We encourage you to voice your individual opinion directly to the CFTC. The Public Comment Period is open for 60 days from the date of publication, which was January 13, 2010. You may find the entire draft proposal here: [CFTC.Gov](http://CFTC.Gov) and you may contact the CFTC directly by sending an email to [secretary@cftc.gov](mailto:secretary@cftc.gov) with "**Regulation of Retail Forex**" in the subject line.

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Ross Ditlove  
CEO  
MB Trading



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From: su30fa@sina.com  
Sent: Sunday, January 24, 2010 8:59 AM  
To: secretary <secretary@CFTC.gov>  
Subject: Regulation of Retail Forex

---

*To whom it may concern:*

*Leverage is a very important tool for us seeking financial freedom as your Amercian, and lowering leverage dramatically like this will not only hurt our clients feeling but also drive us to other countries (ie. unregulated) brokers despite above advantage. This is not a win-win situation, it's a lose-lose situation that you probably wouldn't expected.*

*Please reconsider your proposal.*

*Regards,*

*Fang Bao*

**From:** abdalla mohamed <abdalla1111@gmail.com>  
**Sent:** Sunday, January 24, 2010 8:59 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** "Regulation of Retail Forex"

---

Hello

I want to comment on the new regulations that CFTC want to apply on the forex market in US I think it will be very harmful for the small investors in this market.

I can't imagine how it will be to open a trade of 1\$ for a pip with 10000\$

please listen to the majority of traders and don't make this period of time worse than it already is

thank you

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 8:59 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

---

Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Frank P.

last\_name Fulnecky

address1 7330 Kiwi dr.

city Nineveh

country United States

us\_state IN

zip 46164-9660

company

Dear Sirs,

In regards to the proposed regulation to reduce the "leverage ratio" from 100-1 to 10-1,I believe this would be a big mistake,for all concerned.

Speaking as a person who trades the markets daily and depends on the income generated from them, this reduction will make it much more difficult to enter positions and will force me to use more capitol and therefore more risk to enter and hold positions.

Coming at a time when the "Economy" is just now starting to recover,I believe this would be a further impediment to this action.

Respectfully,  
Frank P. Fulnecky



**From:** Orie Baxter <oriebaxter@hotmail.com>  
**Sent:** Sunday, January 24, 2010 9:01 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Proposed Changes (10:1)

---

To CFTC,

I have never committed on any proposed changes by any governing body. That goes to show how serious these proposed changes are. Please reconsider changing the leverage requirements to 10:1. This would severely cripple me as a retail trader and I am currently depending on the FOREX as a major source of income. 100:1 is fine the way it is. 50:1 would be a halfway decent compromise. If the 10:1 rule is implemented, I will be highly disappointed. Please listen to the people.

---

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**From:** info@roanokeradonremediation.com  
**Sent:** Sunday, January 24, 2010 9:01 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** 'Regulation of Retail Forex'

---

**RIN 3038-AC61**

I strongly oppose the new regulations that are being brought up for vote on limiting leverage in the forex and commodity markets.

Nathan

**From:** Judy Magautu <mackarlson@gmail.com>  
**Sent:** Sunday, January 24, 2010 9:04 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

RIN 3038-AC61

How is a 10:1 leverage suppose to help us? Aren't you suppose to provide a safe environment to trade in  
not kick us out of the game!?!?

This 10:1 cap is abusive and ridiculous. Why not let people decide what leverage to use?

**From:** אייל SIMONI  
**Sent:** Sunday, January 24, 2010 9:01 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Rin 3038 Ac61

As an out off u.s. Forex Dealer my opinion is to let the pepole decide

? and let them a free choice...this is America ..is'nt it

..hope the 1:100 will stay

---

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**From:** xstek@nc.rr.com  
**Sent:** Sunday, January 24, 2010 9:09 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** news release 5772-10

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To whom it may concern:

I have been very interested in the CFTC's efforts to provide a more equitable and regulated retail Spot Currency (FOREX) Market to the U.S. investor/trader. Having personally seen egregious issues regarding Stop Running, Platform disconnects, and also trading platforms that have the ability to be set by the Market Maker/Broker to certain levels of price slippage, lagging quotes and partial fills, it is my observation that the Market Makers/Brokers in the retail Spot Currency Market need much stronger regulation as far as their operations are concerned.

Since there cannot be a centralized market in Sport Currency due to the international nature of this product, there needs to be some standard to which a trader can compare quotes and time signatures with their Market Maker/Broker and a reliable, regulated quote in the U.S. market. This is a far more important issue than how much leverage a retail client is afforded. Also the issues of predatory back door and back office programs MUST be investigated and stopped, this is another URGENT need for the retail Spot Currency market. While there are Market Maker/Brokers who rigorously adhere to NFA regulations as far as spot currency is concerned, there are those who flout any and all regulations. A few of the Brokers I have dealt with that have very tight compliance and actually apply Futures regulations to their Spot Currency products are PFG Best, MB Trading, Aaron Trade. Unfortunately not all Market Makers/Brokers are as responsible.

I would also like to make an observation regarding the proposal of limiting leverage in retail Spot Currency to 10:1. While this may seem like a reasonable proposition to "save" the average consumer from himself, in reality it does nothing to keep those with a get "rich quick" mentality from loosing their funds. In the past the legislative entities that have oversight of our financial markets have attempted to keep a "fool and his money" from being separated, and while this is a lofty goal, in most cases these regulations do not work.

The most notorious case of regulation not working is the Madoff scandal. All of his clients were "Accredited", high net worth, "Sophisticated" investors and yet they were not smart enough, or have enough common sense to "Smell the Smoke" and know that there was a fire. So the fact that a person has a high net worth does not mean they have any understanding of financial markets. I am sure Paris Hilton would qualify as an accredited investor but I am also sure she couldn't pass the series three exam even if was open book, but I digress.

If it is the aim of the CFTC to make Spot Currency trading/investing less tempting to a gambling mentality perhaps a 50:1 ratio would be more reasonable. The reason I hold this view is the following. If a person wishes to learn how to trade/invest, this leverage, if used correctly can allow them to make trades, take small losses and still be able to continue until, hopefully they figure "it" out.

Example 1. A client opens an account with \$1,000.00 and at a leverage of 10:1, we will assume a EUR/USD price of 1.4130, and trading 5000 units. If the client looses Approx \$350.00 he will no longer be able to trade this size because the minimum margin would be 706.54, which is more than his account worth at this point. To extrapolate this further, if the client takes losses that are limited to 22 Pips, at 5000 units he would be able to withstand only 32 losses in a row.

Example 2. Using the same numbers from example 1, except for a leverage of 50:1 the clients ability to withstand losses is far greater, giving them a chance to try different strategies until they find one that not only works but also fits their personality.

The only "Fly in the ointment" are people who take the \$1,000.00 account and max out the leverage to 35000 units, it is clear that in one trade this person could lose their whole account. This type of "gambling" mentality is, in my opinion, impossible to control. For example what would stop a homeowner from taking out a loan on their home, that they know they cannot repay and then using the money to play Roulette in Las Vegas? And yet this is what some of the largest Banks did with their Roulette style derivative trading, and now U.S. Citizens are having to bail them out.

It is my belief that Regulatory agencies have a sacred trust to protect the American Citizen from becoming the prey of sophisticated schemes and practices that are neither ethical or moral, BUT not to protect them from themselves. Thus it is my

opinion that limiting leverage in the retail Spot Currency market, while well intentioned, truly overreaches the CFTC's mandate. Please do not misconstrue my comments to mean there should be no over site, it is obvious that the CFTC, in general does an excellent job in fulfilling its regulatory role, however I strongly disagree with the opinion that 10:1 leverage will protect anyone from anything.

Respectfully

Douglas A. Boehm

**From:** Gunther Freyer <gfreyer28@gmail.com>  
**Sent:** Sunday, January 24, 2010 9:15 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of retail forex (RIN 3038-AC61)

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Dear sir/madam,

referring to the above as well as the proposed maximum leverage changes by the CFTC, herewith the following :

1. I am a South African citizen and resident;
2. I have been trading on a daily basis with two reputable US brokerages for the last two years;
3. For forex trading, specifically short term day trading, having a leverage of 100:1 is crucial for me;
4. I would have absolutely no choice but to close my accounts and trade with non-US brokers of the 10:1 leverage were to be enforced by the CFTC;
5. I am sure that 99% of retail traders would be forced to choose the same course of action.

I urge you to please reconsider this proposal.

Kind Regards

Gunther Freyer

**From:** raw\_ljw <wink823@att.net>  
**Sent:** Sunday, January 24, 2010 9:16 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Re: "Regulation of Retail Forex" - Identification number RIN 3038-AC61  
**Attach:** CFTC Ltr\_01-22-10.pdf

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David A. Stawick  
Secretary  
Commodity Futures Trading Commission  
1155 21st Street, N.W.  
Washington, D.C. 20581

Dear Mr. Stawick,

I have attached a letter regarding the above subject.

Respectfully,  
Rance Winkler



January 23, 2010

**Via Electronic Mail: [secretary@cftc.gov](mailto:secretary@cftc.gov)**

David A. Stawick  
Secretary  
Commodity Futures Trading Commission  
1155 21st Street, N.W.  
Washington, D.C. 20581

**Re: "Regulation of Retail Forex" - Identification number RIN 3038-AC61**

Dear Mr. Stawick:

I am writing to you (CFTC) to record my protest over the referenced rule proposal. I believe that the traders' community, as a whole is joining hands to show our concerns and request that you vote down this vicious rule proposal by CFTC.

### **Summary**

Basically, if implemented, the proposed changes could have the opposite effect from what the CFTC is trying to achieve. All you do is drive legitimate traders like me off shore, and what you still have left in the U.S. are the fraudulent dealers who don't operate within the law anyway. It will cost US jobs, US tax revenue, and more traders will get ripped off by brokers outside of US jurisdiction where there is less regulation, so it does more harm than good!

In my opinion, the cure is EDUCATION, not restricting what people can and cannot do with their investment decisions. As with any investment strategy, you are responsible for what you do with your money and that includes investigating those you will have to ultimately partner with and trust in the process. Government was invented to protect people and their property, not to limit their potential! This is a classic example of government over regulation. The United States of America is the land of the free, where each forex trader should be able to make their own EDUCATED decisions about their money.

### **Background**

I believe it is important to give some context to the situation we are currently in here, but the history of regulation in the U.S. foreign exchange market is a long and complex one, so I will be brief. In 2004 the federal court in the U.S. ruled that the CFTC (Commodity Trading Futures Commission) could not target fraud cases in the OTC forex markets because they were outside its remit. Then in 2008 the U.S. Congress

passed legislation that returned regulatory authority of the forex markets back to the CFTC after a flood of cases involving fraudulent foreign exchange dealers targeting retail investors.

That's when the NFA (National Futures Association) came into being. Andrei Pehar, Chief Currency Strategist at fxKnight.com says "What happens is the NFA suggests these rules, and the CFTC accepts and enacts them (the CFTC fully admits forex is not their area of expertise, which is why they originally empowered the NFA to take this area over). The problem is that the NFA is NOT a consumer protection agency. They are a trade organization made up of, funded by, and created to further the interests of... futures brokers - National Futures Association. And there's no denying that retail forex competes directly with their members' business interests... It gets worse! Starting April 1st, the NFA intends to try and start legislating across borders, by forcing offshore brokers and IBs to register with them as well.

## **Discussion**

To achieve regulation and crack down on the tremendous amount of scams, the CFTC wants to include the ruling passed by the NFA last year that all foreign exchange dealers are registered with a regulator. This has been welcomed by dealers, so too has the proposal to impose a minimum capital requirement of \$20 million dollars in order to be a registered broker in the U.S. which acts as a capital cushion to protect consumers and is an important step towards regulating the industry. Also in November of last year the NFA already reduced the leverage ratio for foreign exchange trades from 400:1 to 100:1. But now the proposal to slash the amount of leverage from 100:1 to 10:1 has unleashed an outcry from brokers and dealers alike.

This new CFTC ruling, if enacted, would mean that a client would need to increase the amount of money they post in a security deposit account held with their dealer to 10 percent of the value of each trade from the current level of about one percent. This would mean that for every \$10 you want to trade on foreign exchange you have to post \$1 as a security. This move was unexpected because leverage limits were dramatically reduced six months ago by the NFA, the CFTC's voice to the forex industry in the U.S..

On January 20th, an FXCM client wrote: FXCM sent a letter out to all their clients actually stating they oppose this and asking them to write to the CFTC. I'm amazed... I've heard individual people who work there grumble about the rules (off the record), but I have never seen a big company like this take such a public stance on an issue.

I'm still waiting on FXDD to do the same, especially since just 2 months ago they received their licensing with the NFA. Must be great to get a license with the same group that's going to put you out of business in just a few more months!

## Conclusion

The Foreign Exchange Dealers Coalition (FXDC), which is made up of nine major firms, is working on a unified response to the CFTC's proposals. The coalition is trying to ensure a balance between protecting the consumer whilst not stifling business. The FXDC affirms on its statement that the U.S. \$1 billion industry is in danger if CFTC proposal passes. "This revenue is money generated from a product that is in many ways an export. Furthermore, as capital markets open in the BRIC countries the number of new accounts that will flow out of places like China and India will lead to huge job and revenue gains in the United States." *The Foreign Exchange Dealers Coalition says - "Trillions of dollars of trade volume are at stake. This is money that could (and should) be booked in the United States as taxable revenue. But if this rule passes the United States could well be costing itself billions of dollars in taxes down the road."*

Excerpt from an FXDC letter last week:

"The case against the 10 to 1 leverage rule is clear. The rule will be a boon to foreign forex dealers (both regulated and unregulated) who will grow entirely at the expense of retail forex dealers in the United States. Thousands of high paying jobs will be lost and the potential for tens of thousands of more jobs will forever vanish as well. Consumers will be hurt and more vulnerable to fraud. And the United States will toss away one of the most promising export industries that it has, all in the midst of 10% unemployment. There is no good reason that this should be so."

Respectfully submitted,

/s/ Rance A. Winkler

Rance A. Winkler

**From:** Han .cn <panlucom@gmail.com>  
**Sent:** Sunday, January 24, 2010 9:32 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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I am a forex trader in China and I have been using US brokers for several years and very satisfied. Compared with other countries brokers, the aspects of US counterparties appealing me, which I think apply to other countries clients also, are:

- 1, Strong and respectable regulation bodies,
- 2, Sound and sophisticated financial infrastructure,
- 3, US as a country have a tradition for the protection of international investors,
- 4, US based forex firms are generally more financially solid and well-managed.

Regarding your recently regulation proposal, I fully agree to enhance industry oversight, but I don't like put any restrictions on leverage. Leverage is a very important tool for us seeking financial freedom as your Amercian, and lowering leverage dramatically like this will not only hurt our clients feeling but also drive us to other countries (ie. unregulated) brokers despite above advantage. This is not a win-win situation, it's a lose-lose situation that you probably wouldn't expected.

Please reconsider your proposal.

Regards,

Peter Han

**From:** james mcdonald <spectre\_ent@yahoo.com>  
**Sent:** Sunday, January 24, 2010 9:51 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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Dear Mr. Secretary,

As a small interested trader in the foreign exchange market, I am sending this note to express concerns over the margin rates for these markets. At one time ( with certain dealers ) you could be margined as high as 400:1. This always seemed excessive to me therefore I had my account established at no more than 100:1. In the contracts I am interested in this translates to an easy way not only to figure profit and loss but to curtail my risk through the use of proper money management ( one pip equals one dollar I use a mini account ). I personally believe more needs to be done concerning the " get rich quick " mentality of some scam artists trying to sell courses and the like concerning these and other markets. ( Had a guy call me Friday saying He was making 50 to 100 percent return on investments in Forex ). One other thought is that we all read and sign the risk disclosure statement at the end of the application to open any account whether that is futures, stocks, mutual funds, forex or any openly traded market. So anyone who does knows the risk of loss before the first trade. I haven't had the time yet to read RIN 3038-ac61 but would be interested in learning more about how these changes come about. So in closing I would like to see the margin rates stay at no more than 100:1. Thank you for your time to read this and hope you have a good day.

respectfully,  
James M. McDonald

**From:** flood1@netzero.net <"flood1@netzero.net">  
**Sent:** Sunday, January 24, 2010 10:01 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Margin requirments

---

Dear sir,

I realize that you are trying to protect my interests by raising the margin requirements for trading in the forex market, but, this move could force me to stop trading all together. My trading accounts are very small and I have been trying to trade successfully for about two years. I've invested money in trading indicators and software such as "auto trading". If I can not afford to trade anymore I will lose all of the money and time that I have invested.

Please don't force me out of trading. Trading is one of the only things I have left to provide a little hope for securing my financial future. Working 40 hours at a company without a union or a retirement plan paints a grim picture of the future. I am 57 years old and I really do not have anything to look forward to in the future, social security will not cover my expenses.

When you make your decision, please consider what it will do to the little guy who's just trying to pay his bills and his taxes.

Thank you, Michael Koegel

e-mail; flood1@netzero.com

**From:** Yves Wang <yves.wang@duke.edu>  
**Sent:** Sunday, January 24, 2010 10:10 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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\*RIN 3038-AC61

Dear CFTC officials,

Before I lay out my opinion, I would like to tell a very short story. When I was at 10th grade in China, one day the school was organizing a spring outing event. All students were very excited about it. But on the day when we were about to set out, we were informed that the event was canceled. The reason? It turned out, at a meeting, the Mayor of Beijing asked the chief official of education in Beijing to guarantee the general safety of students at schools. Then, to "guarantee" the safety, for the next 2 years, no out event was ever had for Beijing's middle schools. You could imagine how disappointed and angry the students were.

Well, my opinion is that: to control the risk does not mean to completely eliminate the risk. There exist various ways to achieve the goal of controlling risk and better protecting people like us, non-institutional traders (investors).

First, I agree with the CFTC that changes need to be made to the current condition of retail forex. However, just like it is wrong to have a single high leverage 100:1 for everybody, it is also unreasonable to have a single low leverage of 10:1. Instead, I propose that the CFTC require every retail forex provider offer multiple levels of leverage, ranging from 10:1 to 200:1. (10:1 is even lower than the forex leverage in China)

Second, to help people make the right choice of leverage ratio, to help people find a leverage ratio that suits best to their risk taking ability, I propose the CFTC require the forex retailers provide detailed information and education about risk management, explain clearly the need and method to choose an appropriate leverage ratio. This should not be very hard to attain as I have seen similar evaluation of risk taking ability in stock brokerages.

Third, on the customer's side, the CFTC should mandate all individual forex traders go through several classes (or online webinars) about the risk levels and leverage ratios. Yes, just make underlying math clear to everyone. Even after understanding the risks, the choice of leverage ratio is still subjected to the control from the retailer. It is just like what TD-Ameritrade did to me for my stock options trading: the evaluation showed that my risk taking ability is not suitable to deal uncovered options, even if I chose to do uncovered options, they still would not allow me to.

In conclusion, I propose that the CFTC make improvement of retail forex regulation, by requiring the retailer to provide flexible leverage ratio and better, comprehensive education, and by requiring the trader to learn the necessity of selecting a suitable risk level. I believe this

would make everyone happy.

Thank you very much for reading my e-mail.

Best regards,

\*

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Yi(Yves) Wang

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Mail: Box 90317, Chemistry Department



**From:** D V <dalius777@yahoo.com>  
**Sent:** Sunday, January 24, 2010 10:19 AM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** Stawick, David <dstawick@CFTC.gov>; Smith, Thomas J. <tsmith@CFTC.gov>; Bauer, Jennifer <JBauer@CFTC.gov>; Penner, William <WPenner@CFTC.gov>; Cummings, Christopher W. <ccummings@CFTC.gov>; Sanchez, Peter <PSanchez@CFTC.gov>  
**Subject:** STRONGLY OBJECT TO 10-1 LEVERAGE LIMIT IN REGULATION OF RETAIL FOREX PROPOSAL RIN 3038-AC61

---

Attn : David Stawick, Secretary, CFTC  
and ALL CFTC policymakers:

As a non-affiliated US-based Retail FX trader, please note for the record that I am STRONGLY OPPOSED to the 10-1 leverage limit as proposed in RIN 3038-AC61 relating to the Regulation of Retail Forex.

Counter-productive effects

This senseless limit would in NO way protect, aid or benefit me but rather would greatly harm me since this restriction, if passed,

☐ would require that I submit substantially more margin-funds into non-protected, non-FDIC insured, non-SIPC eligible accounts, actually exposing me to increased risk in the event of bankruptcy of my Forex Broker.

☐ would NOT divert my business into regulated-Futures trading (as the CFTC is probably hoping), but rather would cause me to seek an unreliable, higher-risk offshore FX broker to trade through, whose practices might be questionable.

☐ would eliminate one of the greatest benefits of trading Forex : My ability to efficiently deploy my own trading capital in the way that I choose.

Lower FX vols require far greater leverage  
FX volatilities are generally substantially lower than in the Equities or Futures market. Therefore, significantly more leverage is required simply to capture equivalent trading opportunities.

Nanny not needed

I do not want the CFTC to treat me like a child and dictate how I should trade. While 100-1 leverage is available to me - should I choose it - I am never forced to use it.

The bottom line is that OTC Retail Forex trading is NOT Futures trading. Please do not try to treat it as such!

PLEASE IMMEDIATELY STRIKE YOUR PROPOSED 10-1 LEVERAGE LIMITATIONS.

Don't let proposal RIN 3038-AC61 become an expensive lesson in unintended consequences.

Thank you.

Dalius V.

**From:** allison h. wilcox, ph.d. <awilcoxphd@gmail.com>  
**Sent:** Sunday, January 24, 2010 10:24 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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The proposed regulations for retail forex are outrageous. As a forex trader, I know that it will have a detrimental effect on all the traders in the United States.

We are all grown-ups and very well know our boundaries and limitations and if somebody decides to cross it, well than its his or her own personal choice.  
Lowering the leverage to 1:10 on the pretext of giving security to our funds is unjustified and will serve only to send those traders to other countries.

If somebody wants to commit suicide with their funds, well its his choice. We all take risks everyday and own our decisions since we find them necessary to attain certain goals. Crossing a road can be risky too but this does not mean that the Transportation Secretary should ban all the cars!!!

I hope that you will withdraw these outrageous terms and respect the personal decisions and judgment of others. Many of us have studied for years to become successful traders and are appalled at the sudden over-regulation of our livelihood and the absence of focus on unscrupulous brokers. Why the traders should be punished for the sins of a relatively small number of brokers is absolutely beyond me.

Thank you for your time,

Allison H. Wilcox

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Allison H. Wilcox, Ph.D.  
Clinical and Forensic Psychology  
Tx. Lic. 23886  
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[awilcoxphd.scheduling@gmail.com](mailto:awilcoxphd.scheduling@gmail.com)  
<http://awilcoxphd.googlepages.com/home>  
<http://www.kiva.org/team/greenling>

**From:** Ed Detmer <edetmer7353@charter.net>  
**Sent:** Sunday, January 24, 2010 10:35 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Rule changes

---

To CFTC

We understand there are always a need for some regulations involved in the currency markets. However if you change the ratio to 10:1 you will effectively bankrupt my wife and myself..

The Company I retired from went B.K and took my retirement with it..

Fortunately I had gotten into the 4X mkt with a small amount of savings that I had and have been using the 4X trading to supplement our SS to keep us out of B.K... We live in a very modest home and are on a very strict budget..We are in our mid 70's and with out this 4X income we would go under....As a trader I fully understand the risk of any investing and have a very good risk management program..You obviously don't understand that as traders we are self regulated when it comes to risk management . If we don't set up some good risk management guidelines for ourselves we would be out of the mkt very quickly anyway so we certainly do **not** need a **regulatory body** which may or may not even understand the 4X or even trade it for that matter to tell us how to manage our money. You are also probably not aware that all of the Companies and Guru's constantly pound on us daily with every e-mail and seminar about Risk Management.,...I receive from 5 to 10 e-mails a day and frankly am tired of hearing it....

Just keep in mind that this is how the camel came to be...It was a committee trying to design a quarter horse and had no idea what either one was...

Very Sincerely

Ed and Donna Detmer

**From:** D. V. <club21777@gmail.com>  
**Sent:** Sunday, January 24, 2010 10:45 AM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** Stawick, David <dstawick@CFTC.gov>; Smith, Thomas J. <tsmith@CFTC.gov>; Bauer, Jennifer <JBauer@CFTC.gov>; Penner, William <WPenner@CFTC.gov>; Cummings, Christopher W. <ccummings@CFTC.gov>; Sanchez, Peter <PSanchez@CFTC.gov>  
**Subject:** STRONGLY OBJECT TO 10-1 LEVERAGE LIMIT IN REGULATION OF RETAIL FOREX PROPOSAL RIN 3038-AC61

---

Attn : David Stawick, Secretary, CFTC  
and ALL CFTC policymakers:

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Counter-productive effects

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- would require that I submit substantially more margin-funds into non-protected, non-FDIC insured, non-SIPC eligible accounts, actually exposing me to increased risk in the event of bankruptcy of my Forex Broker.
- would NOT divert my business into regulated-Futures trading (as the CFTC is probably hoping), but rather would cause me to seek an unreliable, higher-risk offshore FX broker to trade through, whose practices might be questionable.
- would eliminate one of the greatest benefits of trading Forex : My ability to efficiently deploy my own trading capital in the way that I choose.

Lower FX vols require far greater leverage

FX volatilities are generally substantially lower than in the Equities or Futures market. Therefore, significantly more leverage is required simply to capture equivalent trading opportunities.

Nanny not needed

I do not want the CFTC to treat me like a child and dictate how I should trade. While 100-1 leverage is available to me - should I choose it - I am never forced to use it.

The bottom line is that OTC Retail Forex trading is NOT Futures trading. Please do not try to treat it as such!

PLEASE IMMEDIATELY STRIKE YOUR PROPOSED 10-1 LEVERAGE LIMITATIONS.

Don't let proposal RIN 3038-AC61 become an expensive lesson in unintended consequences....

Thank you.

Karen

**From:** Dave Clark <livebetterllc@yahoo.com>  
**Sent:** Sunday, January 24, 2010 10:48 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To Whom It May Concern:

I've just been informed that you're considering limiting the leverage allowed to US Forex Brokers to 10:1. Please, I beg you to reconsider. As a small-business owner, who has just gotten started trading spot forex contracts, and, as forex trading is my sole means of support for my family, **I find this potential regulation an unfair infringement of my rights.**

As we all know, trading, whether in securities, commodities, currencies, etc., is very risky. I currently use a 50:1 leverage, combined with strict money-management techniques, to ensure my business is successful over the long term. And as I am just getting started, **I do not have the large amount of capital needed to make a living using only 10:1 leverage.**

**Please, do not penalize those of us to take it upon themselves to use leverage in a responsible manner.** We do not need more regulations, we need more personal responsibility for our actions. I've worked very hard to build my business and have been very conservative with my investments. Reducing leverage limits to 10:1 will proportionately reduce the income I can provide to my family.

**I am strongly opposed to this regulation. Do not implement it.**

If you have any questions or comments, I will be more than happy to discuss them with you. Contact me anytime.

David Clark - Owner  
Live Better, LLC

**RIN 3038-AC61**

**From:** Gary Aguiar <gary3hp@gmail.com>  
**Sent:** Sunday, January 24, 2010 10:48 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** "Regulation of Retail Forex"

---

Dear Mr. Stawick

I love the fact that everyone will have to register, brokers, etc. that leaves less chance for the little guy like me to get scammed.

But the 10:1 rule will make it impossible to continue to trade in the U.S.

I got into the forex because of the possibility to make good extra money or a great living if I so choose. That is the key word here CHOOSE, what you propose will take away our ability to choose and make it impossible for anyone except the very big guy to make a profit.

This will cost as many jobs as people it will protect, and will cause most to move to offshore brokers, including myself.

As an adult I should have the right to make an informed decision or an uninformed decision, but it should be mine to make.

By you forcing the registration you help to eliminate the scammers, but 10:1 will also eliminate most opportunities.

If I make money I will be spending it here in the United States, to a company in the United States, if I lose money I will be spending it in the United States.

Everyone involved will be making some money and spending it here in the United States.

The 10:1 rule will force most US forex businesses to go off shore, or out of business, causing most traders to also trade elsewhere.

I don't have 10 years to make what I could have made in 1 year, or 20 to make what I could have made in 2.

There are a lot of older folks and even retired folks that are either making extra income or like the possibility of making extra income in the forex market, the forex and 100:1 200:1 etc. affords them that opportunity.

Why do so many people want to move to the United States? Because of the opportunities, because of Freedoms, one of which is the freedom to choose for them selves.

10:1 will take that away from most and force most offshore.

Please think of the long term consequences of this 10:1 rule.

Everyone has to read the Disclosure, or Disclaimer

and should understand the risk of higher leverage and also the possible benefits of the higher leverage.

Forex was opened the the general public, ME only a few years ago, giving people with little start up capital a chance to also make money.

10:1 will send it right back to the deep pockets and take away mine and thousands of others ability to trade, at least here in the United States.

Are you really thinking this out? Are you thinking about how many jobs it will cost, how it will affect tens of thousands, how many brokers will go out of business, or move over seas, that all the money that now comes into the United States will now go elsewhere.

This will hurt the majority and help the few, by leaving the higher leverage it will be hurting the few and help the many.

Thank You Gary



**From:** southernbreeze10@aol.com  
**Sent:** Sunday, January 24, 2010 10:55 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

**What is government doing again sticking their nose in our democratic believes? You people are not able to solve the drug problem and educational problems with your brains and time spent that we tax payers pay you to do. Rather than discoursing one more free enterprise system that is working Roy**

**From:** RAY HUFFAKER <wrayhuffaker@yahoo.com>  
**Sent:** Sunday, January 24, 2010 10:59 AM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** Ray Huffaker <wrayhuffaker@yahoo.com>  
**Subject:** Regulation of Retail Forex

---

TO WHOM IT MAY CONCERN,

Please do not change the ration of 100:1 in retail forex trading, as this would discourage most retail traders from any further reason to trade forex. A ratio of 10:1 is not worth the risk of trading after considering all other factors, including the cost for each trade.

Sincerely,

W.Ray Huffaker

**From:** Charles Phillips <lcsmpil@earthlink.net>  
**Sent:** Sunday, January 24, 2010 10:59 AM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** info@roskamforcongress.com; correspondence\_reply@durbin.senate.gov;  
senator\_rolandburris@burris.senate.gov  
**Subject:** Regulation of Retail Forex

---

Dear Mr. Stawick:

I am strongly opposed to the CFTC proposal to reduce leverage on retail forex trading from 1:100 to 1:10. This change, if implemented, will adversely impact my trading, requiring a significant increase in the amount of money I must have on deposit with my broker. In response, if this regulation goes through, it will be necessary for me to close my account at my US broker and open an account with an overseas broker. If retail forex traders follow my course of action, it will cause great harm to the entire retail forex industry in the US.

I strong reject, and do not need, any additional government regulation of leverage for retail forex trading. For the record, a copy of this email is being sent to Senator Dick Durbin, Senator Rolland Burris, US Representative Peter Roskam, with an appeal to them to investigate your attempts to destroy the retail forex market in the United States.

Regards,  
Charles Phillips

**From:** southernbreeze10@aol.com  
**Sent:** Sunday, January 24, 2010 11:02 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** 'Regulation of Retail Forex'

---

Put your nose somewhaere else!

**Max leverage under current regulations    Max leverage under proposed changes**  
**USD/JPY    USD/JPY**

**100:1 leverage (one percent)**

**10:1 leverage (10 percent)**

**1 lot (100,000)    1 lot (100,000)**

**Margin requirement: \$1,000**

**Margin requirement: \$10,000**

**From:** ishamil ahmad <ishamil.ahmad@gmail.com>  
**Sent:** Sunday, January 24, 2010 11:14 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of retail forex RIN 3038-AC61

---

Dear Sir,

I'm Ishamil Ahmad from Malaysia and currently having an account with one of your country top leading forex broker IBFX. I'm called to relay an email to your organisations as i am very concern about rumours saying that CFTC has made a proposals to limit a leverage to as low as 1:10 and it is so surprising for our fellow traders in our country too. As much as we are concerns that the individual retailers is growings rapidly in our country and most of the traders generally having an accounts with your country forex brokers.

So as many of us is having a small amount of money when converts into US dollars and to have that kind of news from cftc's is really a heart broken. We really hope that your organisations and your government could give us a space to breath as many of us cannot afford to have such a big amount of capital to start tradings.

If your proposal is implemented then a lot of us will have a big difficulties to survives in this industries. Our fellow traders here are hoping that your organisations will reconsider the moves that you may imposed soon. We have faced a first rounds hit by the move when your organisations has imposed a restrictions on having high leverage of 1:200 and has limited it to only 1:100. Eventhough that new regulations is quite tough for us, we are still doing trades but indeed in a more highly carefull trades.

To last we do hope that the proposals could be redrawn as to gives all the small account individual retailers to share a little piece of cakes from the substantial big sizes of cakes there are to be shared among giants.

Sincerely.

Thank you.

**From:** Ed Detmer <edetmer7353@charter.net>  
**Sent:** Sunday, January 24, 2010 11:32 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Reg for retail 4X

---

Do not pass this bill because it will put the small retail traders out of business including us. We don't have \$10,000 to work with. This is not a game. We have a very good Risk Management program now...Those that don't won't be in the mkt anyway..Leave us alone!!!!... Rin 3038AC61..I need this extra income to replace Co. retirement plan that went away when they went out of business. We are in our mid 70's and you will put us in B.K

Very Very Sincerely

Ed and Donna Detmer

**From:** Vitaliy Alaverdian <sirvitaliy@hotmail.com>  
**Sent:** Sunday, January 24, 2010 11:32 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

**RIN 3038-AC61**

Dear Secretary:

The CFTC proposed leverage changes are atrocious, because they would essentially deprive most currency traders in the US of the ability to trade. With the typical small currency movement, even the current 1:100 leverage makes it difficult to justify transaction costs even for the most successful private traders. Decreasing it further to the unprecedented 1:10 would exclude most private traders from the currency market altogether. We simply do not have the capital to invest to work with such low leverage.

Experienced traders like myself calculate our own risk very well, and we do not need to be paternalized by restrictions that DESTROY our WORK STRATEGY. It would be GLARING INJUSTICE to take our WORK away from us. The current 1:100 leverage is already low, as it used to be 1:400 when I started, but it still allows us to put food on our table.

Please do not impose the requirement for leverage reduction.

Thank you,

Vitaliy Alaverdian

---

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**From:** William Lloyd <ywlloyd@yahoo.com>  
**Sent:** Sunday, January 24, 2010 11:36 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

CFTC,

I am a retail forex trader and have been for about five years now. I trade with OANDA, which allows a maximum leverage of 50:1. That is the leverage that I use to trade. I have never had a margin call as I manage my positions and exposure. Please do not lump OANDA in with the bad examples of forex brokers. I have been a customer at OANDA for five years and have never had an instance where I thought OANDA was operating against my interests.

I consider 10:1 leverage as proposed to be too restrictive. At the same time, I believe brokerages that encourage customers to engage in trading at a leverage of 400:1 are doing a disservice to the trading community. I also note that there is apparently no corresponding proposal to limit forex trading for institutions, despite the many examples we have had in the past of institutions blowing up due to leverage (Barings PLC and LTCM being two prominent examples).

I find it difficult to not consider it hypocritical that regulatory agencies want to restrict retail forex trading to 10:1 while other institutions and types of trading that involve significantly more money do not face these kinds of restrictions. My current understanding is that banks such as Goldman Sachs and JP Morgan still have a leverage of between 25:1 and 30:1 as institutions and that other organizations such as GMAC and AIG have leverages as high or higher. Fannie Mae and Freddie Mac are currently trading at leverages of 100:1 or even 400:1 depending on how one calculates. The FDIC uses a leverage of well over 100:1 today. I do not know what the FHA leverage is, but given the recent growth in their retained portfolio, it must at least be over 10:1 and is probably approaching 100:1. The OTC derivatives market also uses large amounts of leverage and has a notional worldwide value of between 600 Trillion and 1,000 Trillion US dollars, depending on who is doing the counting. Former chairperson of the CFTC, Brooksley Born, fought unsuccessfully for regulation on OTC derivatives in the late 1990s. The massively negative impact of OTC derivatives can be clearly seen (perhaps most egregiously in examples such as Iceland and CDS activity (including AIG)). I am of the opinion that CFTC's time would be much better spent dealing with the OTC derivatives issue rather than this.

Surely, the threat to the financial system from any one of these aforementioned examples is multiples of any threat posed by retail forex traders. I am of the opinion that regulatory capital and energy would be better spent on dealing with institutional traders and government controlled entities, who, despite their supposed sophistication, continue to represent a very real and large threat to the financial system.

In short, I am opposed to restricting leverage in the retail forex market to 10:1, especially as institutions will apparently not be under any such similar restrictions. This unfortunately smells very much like the powers ganging up on the little guy to restrict market access and force retail traders to use other vehicles (or stop trading) to one, provide money to investment houses, and, two, to reduce competition through regulation rather than through providing a better service to the customer. I do not believe that such a restriction, without a corresponding restriction on institutions, provides for an orderly market or enhances the financial position of the United States. On the contrary, I believe that such a restriction represents an erosion of economic and financial power for the individual, which, in time, will translate to a reduction in the economic and financial position of the nation. Throughout history this has always held true and it always will.



My contact information is

ywlloyd@yahoo.com  
872 Flagler Dr  
Gaithersburg, MD  
20878  
240.477.7413

Thank you,

William Lloyd

**From:** jdstrand@roadrunner.com  
**Sent:** Sunday, January 24, 2010 11:37 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Comment Form

---

Below is the result of your feedback form. It was submitted by  
(jdstrand@roadrunner.com) on Sunday, January 24, 2010 at 11:37:24  
-----

commenter\_subject: Proposed Regulation of Retail Forex

commenter\_comments:  
Dear Sirs,

I would like to say that I strongly object to the  
proposed limitations being considered. The proposed  
10:1 leverage limitations will cripple the retail  
forex here in the US. Retail traders enter the  
market knowing full well what the risks are. This  
will in effect only serve to add more loss of  
revenue to many in this already fragile economy. At  
best it it will drive US retail traders offshore to  
trade. This will in effect force the close of many  
US brokers and the loss of even more jobs here in  
the states.

Regards,  
J. Strand

commenter\_name: J. Strand

commenter\_withhold\_address\_on: ON

commenter\_address1: 616 N. 20th

commenter\_city: Coeur d Alene

commenter\_state: ID

commenter\_zip: 83814

commenter\_phone: 640-1361  
-----

**From:** Thomas Moore <thomasmr031@gmail.com>  
**Sent:** Sunday, January 24, 2010 11:40 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

I strongly oppose the leverage of 10:1 that you wish to **force** on investors. I believe that such force is against the very act of capitalism and more in line with tyranny like that of King George III. Leverage is simply a tool that enables a trader to enter a trade easier and not have to worry about being margin called if the trade goes against the trader a small amount. Proper risk management is the key to any portfolio. For example,

1. lets suppose trader **John** (who only has a 8k account) is an educated well informed trader who has studied and he enters a trade purchasing a standard lot contract of 100,000 amount using 100:1 leverage but puts a stop loss order in place to limit risk at 30 pips and a limit order in place to secure profit at 100 pips. Basically he's risking \$200 and looking to make \$800. A 1:4 risk: reward ratio. So John was risking Let's say he was trading the eur/usd pair. So the margin required to enter the trade for John would be about \$1,420. **John risked 2.5% of his account looking to go up 10%**

2. Okay lets see trader **Wade** is using 10:1 leverage and has the large 30k account that you wish people to have to be able to trade forex since you wanna get rid of the little guy. And let's suppose that Wade does not employ proper risk management (once again the key to decreasing exposure to risk) and he buys a standard lot contract using a margin of \$14,200 about for the eur/usd. Now Wade decides in this tradethat he's not going to use a stop loss and buys the eur/usd at 1.50 because he's been reading stocks analysts comments ramping up on the gloom and doom of the dollar. **So Wade is targeting 1.52** looking to make \$2,000. The next week the market goes in Wade's favor up to 1.51 and then the week after drops to 1.42. **Wade hasn't employed a stop loss because he's not educated but has 30k you seek and is still sure of the dollars impending doom because of the analysts he hears on cnbc and reads about the impending dollar doom.**

**AT THIS POINT WADE IS NEGATIVE \$8,000.** So Wade risked so far 26.6% of his account with a risk: reward ratio of 4:1. And the market could continue to fall blowing up his account or Wade may continue adding long Euro positions.

Its all about risk managment. Leverage is a tool!!!

**From:** Helion <helionf@gmail.com>  
**Sent:** Sunday, January 24, 2010 11:44 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Reducing Leverage? Nonsense

---

Nonsense! The propose reduction of leverage. Preparation for the end of the Dollar! Smell fishy. Go ahead!

You approved it; I move my capital overseas. As a matter of fact, Perhaps this is the push I need to move overseas.

Sincerely,

Helion Felix

**From:** Dan Giddens <dangiddens@sbcglobal.net>  
**Sent:** Sunday, January 24, 2010 11:55 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Comments Regarding the Proposed Change in Leverage Requirements

---

Mr. Stawick,

I rarely provide inputs to something like this, but feel very strongly about the proposed changes.

I have been a currency trader for five years and have not had a profitable year yet. But what keeps me trying is the challenge of the profession and the potential rewards to a "little guy" like me. Changing the leverage requirements will place a very high demand upon me for deposits. I agree that reducing the leverage will have a net effect of eliminating a lot of people, maybe people that shouldn't be trading to begin with, but I'm not sure that's the role of the CFTC. I have read where 90% of the complaints resonate from small traders but that still doesn't ring true as the solution is to get rid of them.

As I mentioned, I have traded for five years, unprofitably, but I have yet to have lost money that I couldn't afford to lose. I have never lost more than I can afford to pay. In other words, a margin call simply closed my account not created a burdensome debt. Another feature of currency trading that I like.

Thanks for listening to my rambling thoughts. I would appreciate your consideration in not making these changes.

Thanks, Dan Giddens

**From:** Rajni Tyagi <raty111@gmail.com>  
**Sent:** Sunday, January 24, 2010 11:59 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To whom it may concern,

I am a retail trader and I am strongly opposed to the 10:1 leverage proposal by the CFTC.

The liquidity provided by retail traders increase the efficiency of the markets. Removing them, or unfairly pricing them out of the markets will result in increased price volatility overall and decrease the efficiency of the markets which is bad for everyone.

Kindly reconsider this proposal.

Thank you

Rajni Tyagi

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 11:59 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

---

Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name John

last\_name Hirst

address1 252 Chippewa Trail

city Medford

country United States

us\_state NJ

zip 08055

company Self

I am against changing the trading leverage from 100:1 to 10:1. It will prevent thousands of traders and myself from participating in the forex market. By your "protecting" a very small percentage of traders you will deprive the vast majority of retail traders from earning a living.

Please stop over-regulation, please.

John Hirst



**From:** Darrall Myhro <djmyhro@hotmail.com>  
**Sent:** Sunday, January 24, 2010 12:10 PM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** djmyhro@hotmail.com; MattSharp  
<Mattsharp@fivetictrading.com>  
**Subject:** Proposed regulation: "leverage in retail forex customer accounts would be subject to a 10-to-1 limitation"

---

Hi,

I just heard about the proposed regulation concerning retail Forex trading where the leverage in retail forex customer accounts would be subject to a 10-to-1 limitation.

I've already been taken out of day trading stocks with the latest change in regulation that requires a minimum account balance of \$25,000 for day traders.

Now it appears that I may be taken out of Forex trading as well.

I always thought that the "markets" were the last bastion of pure capitalism on the planet. If brokers are wanting, willing and waiting for people to risk their hard earned dollars in the "market" so they can make money whether or not the investor does, why must interference occur? If a broker will leverage my account for my potential gain, why must interference occur?

Investors do not need help protecting their money from potential loss, they are very well aware of the risks involved in trading. This is why most people will not trade; the risk. We investors welcome the risk because we are well aware that this very risk is where we have our potential gain.

If we are to have a free market, do we need that market excluding those standing on the outside looking in because they cannot cover the price of admission? How is that a free market? Forex is not only the largest market in the world, but the only one where an average Joe can afford to try his hand. Now why shouldn't the average Joe get a shot? Why must we alter the markets so that only the rich can keep playing? This does not sound like the USA our founding fathers created, it sounds more like what our founding fathers fled.

Please let the Forex market remain a free market where it flows freely as it should, where the average Joe can test the waters, where freedom reigns.

Thank you,  
Darrall J. Myhro

**From:** F M <fxsignalstb@gmail.com>  
**Sent:** Sunday, January 24, 2010 12:20 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Have you stopped to think and wonder why the high volume of responses to this proposed rule compared to prior rule proposal responses? Unlike no hedging and other rules adopted before, lowering retail forex margin to 10 to 1 will definitely end retail forex in the U.S. Firms and traders will just transfer account offshore or open new account offshore. Plain and simple. 10 to 1 margin will not allow traders to margin at 10 to 1 because you have to have leeway for a trade initially going against you and have a SL.

Movement in price in Forex are in pips, which is .0001 increments. If an account cannot be properly leveraged the small movements will not produce enough profits to allow people to trade it. Think about what the rule will accomplish, or not, before passing a rule that will kill U.S. retail forex. FXCM already has a UK, branch, IBFX is getting approved by the FSA to open offshore account, and the list goes on.

It seems to me that the CFTC has a bias against spot forex and for forex futures. But passing this rule is not going to force spot traders into fx futures. There is not enough liquidity there, and people are very very upset about the government telling them how to trade. Offshore is where they will go for sure.

Not many traders are going to deposit large sums of money in unsecured U.S. forex accounts because if the broker goes bust, and most will because of this rule, they will lose all their funds. If the CFTC really wanted to protect U.S. retail traders, then they would follow the FSA and required segregated and insured accounts, and allow margin as before or as the FSA mandates.

This rule does not protect U.S. retail traders but actually will unprotect the ones that stay and have to fund accounts with high balances in order to trade.

Why do you think that all email responses, as posted to date, oppose this rule? Think this through before making such a bad decision.

**[fxsignalstb.blogspot.com](http://fxsignalstb.blogspot.com)**

**From:** максим мигунов <maksimmig@rambler.ru>  
**Sent:** Sunday, January 24, 2010 12:30 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** "Regulation of Retail Forex"

---

Dear members of U.S. Commodity Futures Trading Commission!

With accordance to your propose to comment the future limitation of leverage to 10:1 I want to say, that if it will be realized, I will be forced to go out from the Forex market because of increasing of the margin requirements. I have'nt so much money.

During last years the number of Forex participants increased strongly, and it is growing now because of brokers are decreasing the financial barriere to trade at Forex. Limitation of leverage to 10:1 will turn this process jumping backward, and many people, whose income was decreased by the financial and economical crizis, will loose chances to return to their life style, which was before crisis.

With best regards, Maxim Migunov,  
(420094) Russia Kazan Gagarina 35A-21

--

максим мигунов.

--

Скачай новую ICQ 7.0 <http://icq.rambler.ru/>

**From:** Padma Sardana <pvsardana@hotmail.com>  
**Sent:** Sunday, January 24, 2010 12:36 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex-RIN3038-AC61

---

Dear Secretary

My opinion of proposed regulation to reduce the margin limit from 1:100 to 1:10 will harm the investor more than helping because first of all for all the existing positions which are currently being held under 1:100 will require fulfillment of significant amount of deposit to save those position from being washed out with reduced margin limit - which anybody in my situation will not be able to fulfill and eventually end up losing potential money beside all the consequences that we are already dealing with current economic situation. Secondly, I think as a fair trade practice if not over but atleast people should be given reasonable flexibility(which in my opinion 1:100 is reasonable margin limit) to choose from what suits their needs. Thirdly, reduced margin limit will open forex trading only for big and high risk taking investors who can afford and have potential to buy minimum of 100,000 (1 lot) securities as a minimum trade instead of small investors like me who can only take risk upto 10,000 (1 lot) securities at a time. My opinion is this will cause more turbulence in the market with people betting on high stakes than now resulting in another Wall Street fall of 2008.

I sincerely hope that in the best interest of our country and economy this regulation should not be passed.

Should you have anymore questions for me please feel free to reach me.

Thanks  
Regards,  
Padma

---

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**From:** Matthew Schoonbee <matthew1943@gmail.com>  
**Sent:** Sunday, January 24, 2010 12:37 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Identification number RIN 3038-AC61

Leverage in retail forex customer accounts would be subject to a 10-to-1 limitation.

“These proposed rules for retail foreign exchange trading are important steps in implementing the additional consumer protections authorized in the 2008 Farm Bill,” CFTC Chairman Gary Gensler said.

Reply:

- Limiting the leverage to a 10-to-1 limitation to USA citizens is grossly unfair, as it will place US citizens at an unfair disadvantage to overseas investors/traders.
- Limiting the leverage to a 10-to-1 limitation to USA citizens does not implement additional consumer protection as envisaged. The risk is taken by the broker, who securely protects himself via margin limits which should be fully understood by traders before embarking on Forex trading. One should not regulate an industry as a result of ignorance on the part of some of the participants/traders/losers.
- Limiting the leverage to a 10-to-1 limitation to USA citizens is akin to limiting the number of tickets one can buy to win the jackpot – instead of a \$5 ticket, the tickets should now cost \$5,000 so as to protect the consumer from buying too many tickets ...
- I had to relinquish my job 15 months ago to care for an autistic grandchild. With the best of intentions, I have been unable to secure another job for the past 10 months. The only thing that has kept me from joining the crowd under the bridge downtown in the cold, has been Forex trading. If you change the leverage to 10-to-1, I will be forced to take the only way out of this misery. I don't feel like sleeping under the bridge. I have no other means of income, only expenses as per 'democracy run by greedy interest groups'.
- I don't know why I am telling you this – you will sleep warm and cozy because you can afford to. You and the politicians have jobs, and can regulate everything to satisfy lobbyists and sore losers while we are left with no other options but to exit from misery and poverty.
- The Bible [that's the book your Grandparents used to read] predicts that you will reap what you sow, 1,000 times more, and you will have to explain your decisions, choices and actions one day.
- May you and the politicians receive mercy.

**From:** Padma Sardana <pvsardana@hotmail.com>  
**Sent:** Sunday, January 24, 2010 12:37 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex-RIN3038-AC61

---

Dear Secretary

My opinion of proposed regulation to reduce the margin limit from 1:100 to 1:10 will harm the investor more than helping because first of all for all the existing positions which are currently being held under 1:100 will require fulfillment of significant amount of deposit to save those position from being washed out with reduced margin limit - which anybody in my situation will not be able to fulfill and eventually end up losing potential money beside all the consequences that we are already dealing with current economic situation. Secondly, I think as a fair trade practice if not over but atleast people should be given reasonable flexibility(which in my opinion 1:100 is reasonable margin limit) to choose from what suits their needs. Thirdly, reduced margin limit will open forex trading only for big and high risk taking investors who can afford and have potential to buy minimum of 100,000 (1 lot) securities as a minimum trade instead of small investors like me who can only take risk upto 10,000 (1 lot) securities at a time. My opinion is this will cause more turbulence in the market with people betting on high stakes than now resulting in another Wall Street fall of 2008.

I sincerely hope that in the best interest of our country and economy this regulation should not be passed.

Should you have anymore questions for me please feel free to reach me.

Thanks  
Regards,  
Padma

---

Hotmail: Trusted email with powerful SPAM protection. [Sign up now.](#)

**From:** tadis\_dillon@mail.com  
**Sent:** Sunday, January 24, 2010 12:39 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

I felt obligated to write you to share both my approval and disapproval of the proposed legislation to control the forex. I applaud your decision to protect the public from those nefarious persons and companies who seek to cheat and rob us of our hard earned money. On the other hand the proposal to to set the **maximum** leverage for US retail forex to **10:1** does not have similar positive implications. I feel you are not serving to protect us but to infringe on our right to freedom of choice. Persons should be free to choose how much we chose to risk. As there are no measures in place to limit how much stock a person buys or how much people bet in the same vein there should not be any control on how much leverage forex traders have. I thank you for your time and hope good reasoning prevails.

**From:** diony salveda <link2worldwide@gmail.com>  
**Sent:** Sunday, January 24, 2010 12:43 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** "Regulation of Retail Forex"

---

RIN 3038-AC61

How is a 10:1 leverage suppose to help us? Aren't you suppose to provide a safe environment to trade in not kick us out of the game!?!?

This 10:1 cap is abusive and ridiculous. Why not let people decide what leverage to use?

Kind regards,  
Mr. D. Salveda



**From:** diony <link2worldwide@yahoo.com>  
**Sent:** Sunday, January 24, 2010 12:43 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** "Regulation of Retail Forex"

---

RIN 3038-AC61

How is a 10:1 leverage suppose to help us? Aren't you suppose to provide a safe environment to trade in not kick us out of the game!?!?

This 10:1 cap is abusive and ridiculous. Why not let people decide what leverage to use?

Kind regards,

--

Warm regards,

diony salvedia  
United Kingdom

**From:** ptunison@verizon.net  
**Sent:** Sunday, January 24, 2010 12:48 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Mr. David Stanwick,

I appreciate your efforts to bring order to the retail Foreign Exchange markets. It has been a bit of the "old West" in this market place and things are improving. However I urge you strongly to reconsider any idea about limiting the leverage available to the retail FX trader. Limiting it to 10:1 will make it difficult for me to continue making my living in this market.

I have been a successful retail FX trader for the last 4 years. My livelihood depends upon being able to continue to trade the Forex Market as I have been doing. I need to continue to trade at the leverage that I have been using 100:1 because that limits my overall risk.

People do not fail in the FX markets as retail traders because of leverage. They fail for only two reasons:

1. They have bad trading skills.
2. They have bad retail brokerages that slip them or do other underhanded things to ensure they fail.

Leverage has nothing to do with either.

Please do all you can to ensure FX traders have access to good training. Please do all you can to eliminate the bad practices of retail FX brokerages.

Please leave leverage choices up to the freedom of choice of the consumer.

Most sincerely,

Phillip Tunison

**From:** ptunison@verizon.net  
**Sent:** Sunday, January 24, 2010 12:50 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Fwd: Regulation of Retail Forex

---

RE: RIN 3038-AC61

Dear Mr. David Stanwick,

I appreciate your efforts to bring order to the retail Foreign Exchange markets. It has been a bit of the "old West" in this market place and things are improving. However I urge you strongly to reconsider any idea about limiting the leverage available to the retail FX trader.

Limiting it to 10:1 will make it difficult for me to continue making my living in this market.

I have been a successful retail FX trader for the last 4 years.

My livelihood depends upon being able to continue to trade the Forex Market as I have been doing.

I need to continue to trade at the leverage that I have been using 100:1 because that limits my overall risk.

People do not fail in the FX markets as retail traders because of leverage.

They fail for only two reasons:

1. They have bad trading skills.
2. They have bad retail brokerages that slip them or do other underhanded things to ensure they fail.

Leverage has nothing to do with either.

Please do all you can to ensure FX traders have access to good training.

Please do all you can to eliminate the bad practices of retail FX brokerages.

Please leave leverage choices up to the freedom of choice of the consumer.

Most sincerely,

Phillip Tunison

**From:** 1ttappen2@gmail.com  
**Sent:** Sunday, January 24, 2010 12:50 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Comment Form

---

Below is the result of your feedback form. It was submitted by  
(1ttappen2@gmail.com) on Sunday, January 24, 2010 at 12:50:09

commenter\_subject: limit leverage 10 to 1 retail forex

commenter\_frdate: jan 24, 2010

commenter\_comments: This regulation is obviously another attempt by the  
large corporations and banks to keep the middle  
class down. As usual, the rationalization for the  
new regulations are disguised as a safeguards for  
those individuals who will be negatively impacted  
by them. Please do not 'protect' me from my own  
decisions.

commenter\_name: Theodore Tappen

commenter\_withhold\_address\_on: ON

commenter\_address1: 374 Lincoln Way E

commenter\_city: Chambersburg

commenter\_state: PA

commenter\_zip: 17201

commenter\_phone: 7178167036

**From:** Abeer Samaha <salhab@comcast.net>  
**Sent:** Sunday, January 24, 2010 12:56 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Concerns about the new rules.

---

Dear Sir/ Madam,

I am very concerned about the proposal to increase the margin requirements for Retail Forex, for more than one reason.

First, on the personal level, I have been training for a year to be a trader. I am about to launch my trading business as a corporation.

A new regulation like this would severely limit my ability to grow my trading account.

Yet, now after this year of intense study and training I am confident I know how to manage the realities of leverage and loss control. I am confident I can do this and do well.

What alternatives do I have? Even though I am smart and technically skilled, no one is going to hire me at my age.

And, I am not alone...there are likely hundreds of thousands like me in my age group with no employment future....and probably millions of younger Americans who will be unemployed or underemployed for a long time. The jobs shipped to India (tech jobs) or China (manufacturing) are not going to come back.

In response to this, many, many US Citizens are learning to trade. Some are going to do well, if you don't change the regulations. There is an infrastructure being built out now in the educational and brokerage firms, and even the banks, that are preparing to serve this new demand. Please take a look at this. It is not small.

Those people who are suited for the career of trading, allowing themselves to become well prepared, practiced, and trained, will have self created jobs, they will be paying local taxes, and Federal taxes. They won't need unemployment, and they have money to spend in their local economies. Not only that, they can work from home, creating less demand for oil, and less traffic.

The use of leverage in the Forex retail market is a beneficial thing to a person with the right skills to use it. It is not like giving a mortgage to someone who has no money. And, it is not the same as the leverage created by the Investment Banks that caused the financial system to almost collapse. It is not the same dynamic, and its scope is very small. Please don't make the mistake of seeing all leverage as evil. The leverage in the Forex market, if used wisely, allows a well trained individual to create an income for himself, and his family, without relying on the external job market, and without the need to have a million dollars to invest.

BUT, beyond that...there is now an infrastructure being built in the US to serve the retail Forex trader. If you implement the higher margin requirements, first this infrastructure and all

the jobs that it is creating, is about to create, and will be creating, and all the tax revenue that goes with the business income, and those jobs, is going to disappear. It will never form.

Instead it will grow outside your jurisdiction. You will be giving all the transaction business to London or Switzerland, or even in the future, to Hong Kong or Singapore. Or Australia or New Zealand....I'm sure they would love to have the business. The only limitation is how they can access the fastest internet backbones.

There are already very good, highly regulated Swiss Forex brokers, more than willing to accept the US customers you would be pushing away. The same for London.

(By the way, London probably has more Forex transactions than the USA in any given day. The US is the second market.)

If the US Forex Retail Trader moves his accounts to London or Zurich, that in turn would force US Retail Forex Brokers, if they wanted to stay in business, to move offshore outside your regulation, taking the jobs with them, and the payroll tax revenue, if not more.

You have a tremendous opportunity here to allow the formation of a new industry in the United States....one where well trained individuals (i.e. "taxpayers") can participate in the truly massive and dynamic world's currency markets, having equal access as the world's largest banks. This type of access is relatively new...with a new type of Retail Forex Broker building out the infrastructure and creating a base for secure and integrous transactions required by the Forex trader.

Really, I cannot see any positive outcome for our country, if these regulations are implemented.

Actually I would suggest the opposite....keep the margin requirements as they are, and institute college level trainings for a person to enter the self-employed trading profession, so, if they are capable, can compete against the giants with success. The tax system and local economies will thank you.

Thank you.

**From:** Jim Watson <beaufordwedcars@btconnect.com>  
**Sent:** Sunday, January 24, 2010 1:02 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** RIN 3038-AC61 strong objection

---

I would like to strongly object to the proposal to limit the leverage in Forex trading to 10-1. A much better and realistic limit is 50-1 and would I am sure help to get rid of some of the unscupulous brokers, many thanks for your time.

James Watson.

---

I am using the Free version of SPAMfighter.  
We are a community of 6 million users fighting spam.  
SPAMfighter has removed 36800 of my spam emails to date.  
The Professional version does not have this message.

**From:** Lance goings <pipfisher@live.com>  
**Sent:** Sunday, January 24, 2010 1:06 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Sir or Madam,

I've recently come aware of regulations proposed by your office to regulate retail forex leverage to 10:1. This action would bring thousands of citizens trading abilities to a dead stop. I for one have invested years of study and finance into trading to try and provide an extra income for my family. Retail forex is one of only a few legitimate vehicles that a small investor can use on the internet in a sea of scams and cons to have a chance at leveraged income. Retail forex has not been available to us very long and this proposed regulation would remove it from us. I am for keeping brokers honest and accounted for, I am not for excessive regulation of opportunity.

Thank you for your attention,  
Lance Goings

---

Hotmail: Powerful Free email with security by Microsoft. [Get it now.](#)



**From:** Frank Rawson <frawson@abnet.co.za>  
**Sent:** Sunday, January 24, 2010 1:11 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Sir or Madam

RIN 3038-AC61

my name is Frank Rawson. I am south African and live in my country of origin.  
I have several Forex accounts in various countries around the world, including the United Kingdom and Switzerland and the United States of America.  
The account I have in the U.S.A. is held by IBFX (Interbank FX), acct# 38041 in case you wish to verify it)

I have learned that it is the FTC's intention to change the maximum leverage for Forex Retail Services to 10:1 and it is for this reason that I am sending this message.

My trading strategy requires a leverage of at least 100:1, which means that if this initiative gets approved I will no longer be able to trade using the same strategy with IBFX, and I will move my funds to another country. I assume many traders will do the same thing if the initiative becomes law, with the subsequent impacts on the economy and the creation of jobs within the U.S.

I want to thank you in advance for the attention paid to this message.

Please feel free to contact me if you have any questions or comments.

Best Regards,

*Frank*

Frank Rawson

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Please find our disclaimer at <http://www.abnet.co.za/disclaimer.htm>

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**From:** Nick Meyer <nspartanmeyer@gmail.com>  
**Sent:** Sunday, January 24, 2010 1:13 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Attn : David Stawick, Secretary, CFTC and ALL CFTC policymakers:

As a non-affiliated US-based Retail FX trader, please note for the record that I am STRONGLY OPPOSED to the 10-1 leverage limit as proposed in RIN 3038-AC61 relating to the Regulation of Retail Forex. This proposed limit would in NO way protect, aid or benefit me but rather would greatly harm me since this restriction, if passed:

- would require that I submit substantially more margin-funds into non-protected, non-FDIC insured, non-SIPC eligible accounts, actually exposing me to increased risk in the event of bankruptcy of my Forex Broker.
- would NOT divert my business into regulated-Futures trading (as the CFTC is probably hoping), but rather would cause me to seek an unreliable, higher-risk offshore FX broker to trade through, whose practices might be questionable.
- would eliminate one of the greatest benefits of trading Forex: My ability to efficiently deploy my own trading capital in the way that I choose.

Lower FX volumes require far greater leverage. FX volatilities are generally much lower than in the Equities or Futures market. Therefore, significantly more leverage is required simply to capture equivalent trading opportunities. I do not want the CFTC to dictate how I should trade. While 100-1 leverage is available to me - should I choose it - I am never forced to use it. The bottom line is that OTC Retail Forex trading is NOT Futures trading. Please do not try to treat it as such!

I URGE YOU TO IMMEDIATELY STRIKE YOUR PROPOSED 10-1 LEVERAGE LIMITATIONS.

Don't let proposal RIN 3038-AC61 become an expensive lesson in unintended consequences.... Thank you

**From:** Jerry King <kingje56@hotmail.com>  
**Sent:** Sunday, January 24, 2010 1:15 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** CFTC Proposal to Lower Leverages

---

Dear CFTC Regulators,

I am a small time retail forex trader. I would argue that now is not the time to lower leverages. During this economic downturn I was laid off after 30 years with a company and I am attempting to supplement my savings by daily forex trading. I appreciate the effort to protect me as a trader but the negative effect of the rule changes would be twofold. Even more US traders would switch to offshore brokers and US brokers would be forced to either shutdown operations resulting in even more lost jobs or cease to be regulated which is becoming much more difficult. I don't believe either of those results are your intentions and they are certainly not good for US retail forex traders the rules are trying to protect. Please consider the proposed rule change very carefully in light of the realities of their implementation.

Here are links to web sites which discuss this issue in much more detail:

[ForexPeaceArmy Rule Change Forum Article](#)  
[Forex Law Blog](#)

Thank you for your time,

Jerry King

**From:** Tom Dillon <tdillon5@hotmail.com>  
**Sent:** Sunday, January 24, 2010 1:20 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex, RIN 3038-AL61

---

1/24/2010

Secretary of CFTC,

Regarding your recent proposed new regulations regarding the Forex Market, I am an individual investor and am in favor of better regulations for the Forex Market. As we have seen in the recent past with the other financial markets and the banking industry the removal of regulations (Glass-Steagall Act) and initiation of reckless legislation (Gramm-Leach-Bliley Act, Community Reinvestment Act) can have a disastrous impact on the US economy.

Just as I am in favor of improved regulations, I am opposed to the proposed change to the allowable leverage in the Forex market to 10:1.

I am a small investor but I am a careful investor. I know my risk and accept those risks. I win some trades and loose some trades. That's trading. It is not possible to protect the trading public from themselves. True trading is not gambling. It is measured risk. Can I claim the same risk if I go to the horse track, play slot machines, play my state lottery, or buy penny stocks? The individual retail investor can only protect themselves through proper education, a methodical trading approach, and appropriate paper trading.

In summary, I am in favor of improved regulations for the Forex market but am **not** in favor of the proposed 10:1 change in leverage. This change will ultimately force me to move my trading account from my US based broker to an off shore broker not subject to US trading rules and regulations placing me at substantially higher financial risk.

Thank you,  
Tom Dillon  
Lake Forest, CA

---

Hotmail: Powerful Free email with security by Microsoft. [Get it now.](#)

**From:** Kirk Stem <kirk.forex@gmail.com>  
**Sent:** Sunday, January 24, 2010 1:20 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Leverage Change

---

As an individual Forex trader I urge you please **DO NOT** change the leverage from 100:1 to 10:1. It would totally ruin and eliminate the individual trader in the United States. Yet the rest of the world would be able to continue to trade the purest of all markets, the Spot Forex. The Forex market has been very successful in policing itself and no one is in danger of losing more than their account and typically gets the trade(s) closed by the broker when the traders margin is hit versus other Future instruments where you can lose more than the account balance. A blanket type of ruling would be short sided. Again please **DO NOT** change the leverage from 100:1 to 10:1, it would eliminatge the individual trader and kill a lot of dreams. Please contact me if you would like to discuss this from a newly successful trader that this would eliminate. We did not cause the financial crisis and should not be lumped in with it. Thank you for listening.

Take care,  
Kirk H Stem

5743 Sentinel Drive  
Raleigh, NC 27609

[kirk.forex@gmail.com](mailto:kirk.forex@gmail.com)  
919.302.1590

**From:** Mark Frazer <msfrazer@earthlink.net>  
**Sent:** Sunday, January 24, 2010 1:31 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** NO 10 TO 1 LEVERAGE, DON'T SEND US FOREX BUSINESS  
OVERSEAS. WE NEED THE JOBS!!!

---

Why kill the U.S. Forex biz.? If there is no U.S. Forex biz we won't need a lot of you guys either. Think.

Respectfully,

M. Frazer

Mark Frazer  
[msfrazer@earthlink.net](mailto:msfrazer@earthlink.net)  
EarthLink Revolves Around You.

**From:** damon jacobucci <jacobucci777@yahoo.com>  
**Sent:** Sunday, January 24, 2010 1:32 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** regulations of retail forex

---

Sirs,

I had to write and inform you of my opinion and feelings about your newest forex regulation proposal. It is absolutely ridiculous and is a serious infringement on the citizen's personal freedoms. Requiring more capital to trade at a lower leverage is something you should be levying on the Banks and Institutions that caused the current financial meltdown and crisis, not at forex retail traders who are trying to make a profit from a financial vehicle that gives us an opportunity to contribute to our own financial success. This is nothing more than stepping on the little man. If you want to lower the leverage, to protect the inept trader from financial suicide. It won't help him or her. It will only let the suicide take longer. The rules are plainly spelled out by every major broker. Don't risk funds you can't afford to lose. You are squashing the American dream for the retail trader. The forex market offers us the American Dream. To accumulate wealth through hard work and dedication to a chosen field. In my opinion, and the opinion of all the forex traders that I personally know. You have already done more than enough in policing the forex arena. The futures Market is who you need to turn your attention to. The one's who traded in derivatives and Mortgage securities and caused our country's current Pre-depression status that we find ourselves in. Forex traders didn't ask for and receive bailout money, and didn't ask the taxpayers to pay us ridiculous bonuses for melting down the U.S. economy. I hope you take this letter and the letters of the scores of fx brokers and traders you receive seriously. I hope you will see the error in the policy's you are trying to impose on ordinary citizens trying to get ahead and support our family's and stop trying to impede our progress to protect the profits of future's traders who resent our participation in the market. This smacks of gross misuse of power. You should protect the country from those that are abusing other people's money, not those who are merely trying to manage their own. We don't need your help in this matter.

Damon Jacobucci retail forex trader



**From:** Wayne Gerner <wg21400@yahoo.com>  
**Sent:** Sunday, January 24, 2010 1:36 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:**

---

To whom it may concern,

I am a retail trader and I am strongly opposed to the 10:1 leverage proposal by the CFTC. This regulation/requirement will drive many of the "smaller guys" out of the markets entirely or to offshore (ie unregulated) brokers.

The liquidity provided by retail traders increase the efficiency of the markets. Removing them, or unfairly pricing them out of the markets will result in increased price volatility overall and decrease the efficiency of the markets which is bad for everyone.

Please reconsider this proposal.

Thank you

Sign Your Name Here  
Wayne Gerner  
Grayslake, Illinois 60030

**From:** Orville Freymuth <orville@stsworld.net>  
**Sent:** Sunday, January 24, 2010 1:42 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** RIN 3038-AC61

---

Dear CTFC:

As both a responsible and intelligent adult, I am able to decide what rate of "leverage" is appropriate for me. Please don't fix something that is no broken. If there are crooks in the business go after them. Thank you.

Orville

**From:** Tatiana Novikova <mazurusa@yahoo.com>  
**Sent:** Sunday, January 24, 2010 1:43 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

RIN 3038-AC61

I am writing this statement to show my discord with the proposed increase in margin requirements for the Forex market. This regulation is highly dissapointing at a time when many are trying to regain their independence after losing jobs. If learning how to trade on Forex means working from home, being my own boss, and dictating my own hours then I am liberated. Having been working on understanding this market and developing my trading methods for over two years, I am finally about to launch a real live account.

The new 10:1 leverage limit stunts growth opportunities for accounts that are not massive in dollar value. I want you to realize that this regulation is inherently unfair to accounts smaller in value. In order to reap the same gains as before, I will need to have an account 10x what I currently have. After years of practicing on a virtual account, I feel that I understand the risks associated with trading in this market. You may trust that those trading on Forex have the sophistication to understand the risks associated with the current 100:1 ratio. The proposed regulation is economically unfair and should not be enacted, even if it is trying to "protect" the consumer.

Sincerely, Tatiana Novikava

**From:** Farhad Fadavi <farhad.fadavi@gmail.com>  
**Sent:** Sunday, January 24, 2010 1:54 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** RIN 3038-AC61

---

Dear Mr. Stawick,

I am writing to you regarding the recent proposal regarding the proposal of leverage for the retail forex. Even though the forex market has been wild arena in the recent years and brokers has taken free ride of customer, but I guess this proposal has been gone far. There are many people, inclusive myself, that make living out of such market. You might consider putting more restrings on brokers and more control and sever consequences.

Kind regards,

--

Farhad Fadavi

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 1:59 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

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Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Robert

last\_name Fisher

address1 116 shore drive

city port chester

country

us\_state NY

zip 10573

company

Do not change the leverage on trading from 100 to 1 down to 10 to 1. In this HORRIBLE economy it would be devastating to those trying to make a living trading the forex as I do.

I urge you not to damn the public through some fictitious protective strategy. Give us a fighting chance.

Regards,  
Bob Fisher

**From:** International Custom Enterprises Inc. <intcust@yahoo.com>  
**Sent:** Sunday, January 24, 2010 2:02 PM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** Tom <intcust@yahoo.com>  
**Subject:** Regulation of Retail Forex

---

I firmly disagree with the lowering of the margin from 100:1 to 10:1. This only favors the large investor and hurts the small investor. The forex moves at to slow of a rate for 10:1 to be profitable for a small investor.

Sincerely,

Tom

**From:** Stephen Bergman <sbergman@atsu.edu>  
**Sent:** Sunday, January 24, 2010 2:15 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

ID #: RIN 3038-AC61

Hello,

As a new physician in the work force, I have the unfortunate situation of large student loans/credit balances due to the ever increasing cost of medical education coupled with increasing cuts to physicians reimbursements. When I first became acquainted with forex trading four years ago, it was the opportunity that reawakened the American dream for me. I knew there must be a way for the 'little guy' to get ahead in this day of the information superhighway, so long as one had access to the internet, a tiny bit of capitol, and the where-with-all to learn how to read and interact with the market. These days, there is a large difference between needing a few hundred dollars vs. ten thousand dollars to get started in the market. The risk that one takes trading this market is straight forward and reasonable considering that forex traders generally cannot create a negative balance. I have been continuously refining my trading strategy to minimize risk and optimize potential. Currently, I still find it hard to keep a balance near or above ten thousand dollars due to my numerous bills/expenses. I think that the proposed changes will make it increasingly more difficult for the average person to get a financial foothold should they be persistent enough to actually develop a strategy that works, and have the savings to use in the forex market. I'm not trying to conquer the world, but have chosen forex in this period of my life as a means of trying to build savings/capitol which will ultimately be cycled back into the US economy. It would really be a shame if this wonderful resource were basically shut off from so much of the population because of changing regulations, especially in the absence of a clear need to lessen the potential benefits of this market. PLEASE, consider letting the leverage remain at 100:1.

Thank you,  
Stephen R Bergman, DO



**From:** Stawick, David <dstawick@CFTC.gov>  
**Sent:** Sunday, January 24, 2010 2:18 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** FW: STRONGLY OBJECT TO 10-1 LEVERAGE LIMIT IN REGULATION OF RETAIL FOREX PROPOSAL RIN 3038-AC61

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**From:** D V [dalius777@yahoo.com]  
**Sent:** Sunday, January 24, 2010 10:19 AM  
**To:** secretary  
**Cc:** Stawick, David; Smith, Thomas J.; Bauer, Jennifer; Penner, William; Cummings, Christopher W.; Sanchez, Peter  
**Subject:** STRONGLY OBJECT TO 10-1 LEVERAGE LIMIT IN REGULATION OF RETAIL FOREX PROPOSAL RIN 3038-AC61

Attn : David Stawick, Secretary, CFTC  
and ALL CFTC policymakers:

As a non-affiliated US-based Retail FX trader, please note for the record that I am STRONGLY OPPOSED to the 10-1 leverage limit as proposed in RIN 3038-AC61 relating to the Regulation of Retail Forex.

#### Counter-productive effects

This senseless limit would in NO way protect, aid or benefit me but rather would greatly harm me since this restriction, if passed,

- would require that I submit substantially more margin-funds into non-protected, non-FDIC insured, non-SIPC eligible accounts, actually exposing me to increased risk in the event of bankruptcy of my Forex Broker.
- would NOT divert my business into regulated-Futures trading (as the CFTC is probably hoping), but rather would cause me to seek an unreliable, higher-risk offshore FX broker to trade through, whose practices might be questionable.
- would eliminate one of the greatest benefits of trading Forex : My ability to efficiently deploy my own trading capital in the way that I choose.

Lower FX vols require far greater leverage  
FX volatilities are generally substantially lower than in the Equities or Futures market. Therefore, significantly more leverage is required simply to capture equivalent trading opportunities.

Nanny not needed

I do not want the CFTC to treat me like a child and dictate how I should trade. While 100-1 leverage is available to me - should I choose it - I am never forced to use it.

The bottom line is that OTC Retail Forex trading is NOT Futures trading. Please do not try to treat it as such!

PLEASE IMMEDIATELY STRIKE YOUR PROPOSED 10-1 LEVERAGE LIMITATIONS.

Don't let proposal RIN 3038-AC61 become an expensive lesson in unintended consequences....

Thank you.

Dalius V.

**From:** Stawick, David <dstawick@CFTC.gov>  
**Sent:** Sunday, January 24, 2010 2:19 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** FW: RIN 3038-AC61

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**From:** Tuxedo Magnus [xero\_omega@hotmail.com]  
**Sent:** Sunday, January 24, 2010 8:45 AM  
**To:** secretary  
**Cc:** Stawick, David; Smith, Thomas J.; Bauer, Jennifer; Penner, William; Cummings, Christopher W.; Sanchez, Peter  
**Subject:** RE: RIN 3038-AC61

ATTN:  
Mr. David Stawick,  
Secretary  
Commodity Futures Trading Commission  
1155 21st Street, N.W.,  
Washington, DC 20581

FROM:  
Walter Washington III

Mr. Secretary,

My name is Walter Washington III and it has come to my attention that a proposal being put forward by your regulatory organization: RIN 3038-AC61 will have a great and, most possibly detrimental, impact on the foreign currency market in the United States and I was compelled to put my views and perspective on said proposal and its most likely effects into words.

The proposal to change the minimum capital leverage of 10:1 will severely cripple if not destroy the average retail forex trader's ability to fund or operate an account due to the need to already have or somehow appropriate 10 times the current amount of capital to maintain the same trading volume. If such a proposal is enacted average forex traders will have no choice but to move their funds to non-US accounts of foreign brokers to continue trading at the current market parameters. This will facilitate if not accelerate the amount of liquid funds already hemorrhaging from the US financial system from foreign and domestic investors alike leaving the US markets in the wake of the recent financial crisis. The proposed changes will only add to the exodus of wealth and prosperity leaving our shores.

If this happens not only will you be driving out the heart of a viable market that works and has worked for the American people and the world as an alternate source of revenue and financial stability, but you will also be driving good and honest traders into the arms of some totally unregulated and questionable offshore forex brokers who will most likely, with a 'captive audience' so-to-speak, be unscrupulous in their dealings with American investors and take them for every dollar they have. That is money that could have stayed in the US market if only poorly constructed regulation had not driven them out and put all but the biggest and most-capitalized brokers out of business.

Regulation that strangles growth and stifles competition is not the answer to the financial woes of our great country. The true answer is judicious and carefully considered moderate regulation based on sound market principles that allow the risk necessary for growth while checking the fraudulent actions of dishonest players in the market, such as some brokers with predatory market tactics used to increase profits and scammers creating phony forex products and schemes. The number one component of any successful and fair regulation is EDUCATION. Educate the people on not just the rules and by-laws, but also on sleazy tactics that might be used against them.

You can't complain that people crash too much in traffic and then lower the speed limit to half of what it was in an attempt to prevent accidents if you never taught them to drive in the first place. In short: The proposed new rule of leverage limitations does not protect investors or traders. It will marginalize average retail traders into nothing. It will do exactly the opposite of protect them. It will drive force them into harm's way because an investor will now have to risk 10 times the amount as before to place the same trade or go into even riskier territory to make the same trade elsewhere. Please think about this before attempting to make this proposal law. In forbearance there is wisdom.

Sincerely,

Walter Washington III

---

Your E-mail and More On-the-Go. Get Windows Live Hotmail Free. [Sign up now.](#)

**From:** Stawick, David <dstawick@CFTC.gov>  
**Sent:** Sunday, January 24, 2010 2:19 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** FW: STRONGLY OBJECT TO 10-1 LEVERAGE LIMIT IN  
REGULATION OF RETAIL FOREX PROPOSAL RIN 3038-AC61

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**From:** james ofner [jamesofner@hotmail.com]  
**Sent:** Sunday, January 24, 2010 5:44 AM  
**To:** Stawick, David; Smith, Thomas J.; Bauer, Jennifer; Penner, William; Cummings, Christopher W.; Sanchez, Peter  
**Subject:** STRONGLY OBJECT TO 10-1 LEVERAGE LIMIT IN REGULATION OF RETAIL FOREX PROPOSAL RIN 3038-AC61

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Attn : David Stawick, Secretary, CFTC  
and ALL CFTC policymakers:

As a non-affiliated US-based Retail FX trader, please note for the record that I am STRONGLY OPPOSED to the 10-1 leverage limit as proposed in RIN 3038-AC61 relating to the Regulation of Retail Forex.

#### Counter-productive effects

This senseless limit would in NO way protect, aid or benefit me but rather would greatly harm me since this restriction, if passed,

- would require that I submit substantially more margin-funds into non-protected, non-FDIC insured, non-SIPC eligible accounts, actually exposing me to increased risk in the event of bankruptcy of my Forex Broker.
- would NOT divert my business into regulated-Futures trading (as the CFTC is probably hoping), but rather would cause me to seek an unreliable, higher-risk offshore FX broker to trade through, whose practices might be questionable.
- would eliminate one of the greatest benefits of trading Forex : My ability to efficiently deploy my own trading capital in the way that I choose.

Lower FX vols require far greater leverage  
FX volatilities are generally substantially lower than in the Equities or Futures market. Therefore, significantly more leverage is required simply to capture equivalent trading opportunities.

#### Nanny not needed

I do not want the CFTC to treat me like a child and dictate how I should trade.  
While 100-1 leverage is available to me - should I choose it - I am never forced to

use it.

The bottom line is that OTC Retail Forex trading is NOT Futures trading. Please do not try to treat it as such!

PLEASE IMMEDIATELY STRIKE YOUR PROPOSED 10-1 LEVERAGE LIMITATIONS.

Don't let proposal RIN 3038-AC61 become an expensive lesson in unintended consequences....

Thank you.

James Ofner

---

If It Exists, You'll Find it on SEEK [Shopping Trolley Mechanic](#)

**From:** Kirk H. Stem <kirksemail@bellsouth.net>  
**Sent:** Sunday, January 24, 2010 2:23 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Mr. David Stawick,

As an individual Forex trader I urge you please **DO NOT** change the leverage from 100:1 to 10:1 (RIN 3038-AC61). It would totally ruin and eliminate the individual trader in the United States. Yet the rest of the world would be able to continue to trade the purest of all markets, the Forex. The Forex market has been very successful in policing itself and no one is in danger of losing more than their account and typically gets the trade(s) closed by the broker when the trader's margin level is hit versus other Future instruments where you can lose more than the account balance. A blanket type of ruling would be short sided. Again please **DO NOT** change the leverage from 100:1 to 10:1, it would eliminate the individual trader and kill a lot of dreams. Please contact me if you would like to discuss this from a newly successful trader that this would eliminate. We did not cause the financial crisis and should not be lumped in with it. Thank you for listening.

Take care,  
Kirk H. Stem

5743 Sentinel Drive  
Raleigh, NC 27609

[kirk.forex@gmail.com](mailto:kirk.forex@gmail.com)  
919.302.1590

**From:** Greg Powers <powerwonder@hotmail.com>  
**Sent:** Sunday, January 24, 2010 2:25 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** regulation of retail forex

---

concerning RIN 3038-AC61... Allow the leverage to remain at 100:1...it is very important to many of us who make a living at forex markets Full-time...Thanx for your kind attention in this matter..  
Greg Powers

---

Your E-mail and More On-the-Go. Get Windows Live Hotmail Free. [Sign up now.](#)

**From:** Kirk Stem <kirk.forex@gmail.com>  
**Sent:** Sunday, January 24, 2010 2:27 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Mr. David Stawick,

As an individual Forex trader I urge you please **DO NOT** change the leverage from 100:1 to 10:1 (RIN 3038-AC61). It would totally ruin and eliminate the individual Fforex trader in the United States. Yet the rest of the world would be able to continue to trade the purest of all markets, the Forex. The Forex market has been very successful in policing itself and no one is in danger of losing more than their account and typically gets the trade(s) closed by the broker when the trader's margin level is hit versus other Future instruments where you can lose more than the account balance. A blanket type of ruling would be short sided. Again please **DO NOT** change the leverage from 100:1 to 10:1, it would eliminate the individual trader and kill a lot of dreams. Please contact me if you would like to discuss this from a newly successful Forex trader that this would eliminate. We did not cause the financial crisis and should not be lumped in with it. Thank you for listening.

Take care,

Kirk H. Stem

5743 Sentinel Drive

Raleigh, NC 27609

[kirk.forex@gmail.com](mailto:kirk.forex@gmail.com)

919.302.1590



**From:** lee call <call\_leejr@yahoo.com>  
**Sent:** Sunday, January 24, 2010 2:57 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Forex trading limits

---

Hi,

Would someone please explain to me how this would be beneficial to traders in the USA.  
*"As many of you are aware, the U.S. Commodity Futures Trading Commission (CFTC) announced on January 13, 2010 that it is seeking public comment on proposed regulations concerning retail Forex trading. As part of the proposed regulations, it is stated: "leverage in retail forex customer accounts would be subject to a 10-to-1 limitation," which means 10:1 leverage would be the maximum amount allowed for all Forex traders in the U.S"*

*Because of the no hedging rule in forex I have moved all my forex accounts, except for one, to brokers outside of the USA. The above leverage limitation would put the last nail in the coffin for most USA based forex brokers.*

*Regards,*

*Lee Call*

*34-B Cherokee Lane  
Dahlonaga, Ga. 30533  
706-867-1849*

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 2:59 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

---

Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Tom

last\_name Tonelli

address1 1924 Orangeview

city Placentia

country

us\_state CA

zip 92870

company

Dear Sirs,

I feel that by changing the margin from (in most cases) 100:1 to 10: 1 does nothing but favor the large investor. It will ruin my trading with Oanda (although only 50:1). The leverage allows for risking a little to gain a lot and to put on other transactions in other trades to offset losers so the overall can be a winner. This will not be possible if margin is lower and all your money has to go into one or two trades. This increases risk by putting all your eggs in one basket. What is needed is more education. A stress on education not just a say it and not enforce it. Margin is great if used in the correct ways. Once again please do not change the leverage but educate how to use leverage to your advantage. The very least it should be is 50:1. This has worked well for Oanda.

Thanks,

Tom

**From:** Thelman Avenue Global, LLC <thelmanave@yahoo.com>  
**Sent:** Sunday, January 24, 2010 3:09 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To the CFTC:

I recently heard about proposed changes in allowed leverage levels in retail forex accounts as contained in the 2008 "Farm Bill". I would like to go on record as saying that these changes are a very bad idea and will have negative implications on the liquidity of the currency markets. I support tight disclosure, registration and capital requirements on FCM's who serve as counterparties to retail forex transactions. These types of measures provide transparency in our markets and reduce the risk exposure of the trading public. However, I believe that the trading public needs to be allowed to select what they feel to be an appropriate level of leverage exposure to their individual trading programs. Taking this ability away from traders will simply drive them from participating in currency trading which will ultimately lead to liquidity issues in the forex markets.

Sincerely,

Terry Lee Sontag  
President/CEO  
Thelman Avenue Global, LLC

**Thelman Avenue Global, LLC**  
**a Terry Sontag company**

**From:** Trin Enterprises, Ltd. <timattrin@yahoo.com>  
**Sent:** Sunday, January 24, 2010 3:29 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

CFTC:

As a US citizen and taxpayer, I strongly oppose the CFTC's proposed retail forex 10:1 leverage rule. If the CFTC implements it, traders will simply search for a broker that isn't forced to comply with such insane "regulations."

It is just these sorts of rules and regulations passed by unelected bureaucrats that are strangling the US economy.

I don't want or need my government to "protect" me from myself.

T Burke  
100 Oxford Dr #720  
Monroeville PA 15146

**From:** Lucian Moldovanu <lucian.moldovanu@gmail.com>  
**Sent:** Sunday, January 24, 2010 3:34 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Good evening, I'm contacting you regarding subject RIN 3038-AC61 of Retail Forex Regulation.

I've been trading forex with a retail broker in small amounts, and if you can manage risk on a personal level, the outcome can definitely be a good one. Of course, Forex is a win-lose game, so the people who lose money actually help a lot to the liquidity of the market.

**I don't think imposing a 10:1 limit on trading accounts is a good idea, a level of 100:1 (not higher) would be perfectly fine.** This way, one can secure a nice return, proportional to the huge amount of risk involved (remember the Markowitz frontier?).

Hope you can consider my opinion too.

Sincerely,  
Lucian M.

**From:** Robert LaHousse <rlahousse@wowway.com>  
**Sent:** Sunday, January 24, 2010 3:37 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

David Stawick  
Secretary Commodity Futures Trading Commission

Dear Sir

I've worked my entire life to get to a point where I can trade the Forex Market to provide a living. Just in time, it has come to my rescue. I'm 63 years old, not done paying my bills and recent orchestrated economic policies have rendered retirement impossible. Soc Sec, for instance, will not pay my mortgage payment. [They tax it you know.]

I am dealing with cancer, my wife's future and the very stability of our life together.

Free markets need to be protected. This proposal simply doesn't have an upside ... and I cannot understand the drive behind it. Stocks, bonds, options, commodities and the forex, among many, are all free markets we [because of leverage] can now use to our advantage. In a world where taxation and, arguably, mismanagement of such funds leaves no end in sight ... taking away such a hopeful path is devastating.

Please reconsider the reduction in leverage potential. 10's of thousands of people are counting on your reconsideration.

I don't see the reason to stop building streets because occasionally someone will be injured crossing one.

Your proposed change of leverage [CTFC] will simply bankrupt me. I and thousands of people like me are more than capable of using the many tools the market affords to control my risk.

With all do respect, please reconsider 'protecting' me. I don't need it and don't desire it.

Respectfully,

Robert LaHousse  
313-995-0902  
Allen Park, MI 48101

**From:** steve gallimore <red28@optonline.net>  
**Sent:** Sunday, January 24, 2010 3:38 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** 'Regulation of Retail Forex'

---

RIN 3038-AC61

**Please do not reduce the amount of leverage in the forex market. Please leave it at 100:1 leverage.  
Do not change it to 10:1.**



**From:** Emir Toloza <emirtoloza2000@yahoo.com>  
**Sent:** Sunday, January 24, 2010 3:44 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** hello

---

Please think about what your about to do!!!! And you're doing it when so many people more than ever are depending on it and are gravitating to it due to it being open24 hrs a day. To many such as myself who are trying to make ends meet, it perfect because i don't have the luxury to quit my job, This is why so many in the work force are gravitating to it, in order to better manage the investments, and to make an extra income. So please really to think about what you're about to do.

Thank you

**From:** Bob Carbaugh <rmcpfc@comcast.net>  
**Sent:** Sunday, January 24, 2010 3:45 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of retail FOREX RIN 3038-AC61

---

To whom it may concern

The leverage on FOREX trading has already been changed from 200:1 to 100:1. If moved down to 10:1 it makes it almost impossible for middle class Americans to trade.

Thanks  
Bob

Carbaugh

**From:** Manuel Payne <manwellap@gmail.com>  
**Sent:** Sunday, January 24, 2010 3:46 PM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** Stawick, David <dstawick@CFTC.gov>; Smith, Thomas J. <tsmith@CFTC.gov>; Bauer, Jennifer <JBauer@CFTC.gov>; Penner, William <WPenner@CFTC.gov>; Cummings, Christopher W. <ccummings@CFTC.gov>; Sanchez, Peter <PSanchez@CFTC.gov>  
**Subject:** Personal Appeal AGAINST 10-1 Leverage Limit in Regulation of Retail Forex Proposal RIN 3038-AC61

---

Good Day,

This is my second email, the first being the "Form Letter" to let you know how many of us are against the 10-1 proposal.

This email is personal. I just want to be heard and have you understand how impacting such a ruling would be to my livelihood and many others I'm sure.

Very simply, as things are, with a \$10K Forex account, I make a comfortable living with INTRA-DAY trading. With this proposed change, I would need a \$100K account to trade with the same margin of confidence. Please realize that's not an easy (or wise) thing to do. I'll accept some of your rhetoric that you may be wanting to help protect traders, but we all know the risks - just as race car drivers, scuba divers, and parachutist know what they are getting into. We are all big boys and girls!!!! Fewer trades or more long-term trades is not what retail Forex is about, its the daily or even hourly challenge of recognizing what the markets have to offer and being good enough to come out ahead most of the time...we all know you can't "win them all" in trading.

I imagine there are governing issues you face under the "commodity" umbrella and wish to improve the commonality of those rules and regulations, but is it really broken? Last summer the NFA "tweaked" things last year and now it's as though Pandora's box has been opened so you too have to get in and change something that has been fine for nearly 20 years.

The cliché - "If it ain't broke, don't fix it" could never be so appropriately applied! **PLEASE DO NOT PASS THIS PROPOSAL!**

Most Sincere,

Manuel Payne  
Lebanon OH

**From:** Dan Skrobot <danskrobot@rogers.com>  
**Sent:** Sunday, January 24, 2010 3:50 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Re: identification number RIN 3038-AC61

I disagree with the proposed change to a 10:1 leverage limitation on Forex accounts. As a Canadian citizen, I don't expect my opinion to carry much weight but do not wish for a US regulation to migrate to international jurisdictions.

Dan

---

**Dan Skrobot** | danskrobot@rogers.com  
16A Lakeshore Drive, Etobicoke, ON M8V 1Z2  
Cell: 416-576-2146

---

**From:** bmeiselm@ucla.edu  
**Sent:** Sunday, January 24, 2010 3:52 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

RIN 3038-AC61

I agree with the proposed changes except for the maximum allowed leverage part. Perhaps 50:1 but not 10:1. This would push small retail investors out of the market and make it easier for big banks to push things around during low liquidity conditions.

Ben Meiselman

**From:** 4x Pond <fxpond@gmail.com>  
**Sent:** Sunday, January 24, 2010 3:57 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

In reference to the proposed change of leverage limits for retail forex traders, I believe you will be causing many individuals that are trading to totally lose their source of income. In this current economy, this will create a large amount of uncountable but nonetheless unemployed people. Please do not make this move of leverage reduction to 10:1. Thanks.

James Unruh

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 3:59 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

---

Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name George

last\_name Jenkins

address1 7935 US Hwy 60 East

city Morehead

country United States

us\_state KY

zip 40351-8630

company

I strongly object to the proposed rule changes being proffered by the NFA and CFTC. Changing the amount of leverage a forex broker in the US could offer to 10-1 will force me to change brokers to one overseas or stop trading on the Foreign Exchange altogether.

Trading on the Foreign Exchange gives me the opportunity to provide for my family in the hard economic times that we are facing now as a nation.

I urge you to not change the leverage offered by US Brokers from 100:1 to 10:1 as it will only further hurt our suffering economy.



**From:** Jim Freedom <jfreedom2@hotmail.com>  
**Sent:** Sunday, January 24, 2010 4:16 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Forex trading

---

Please do not screw with the Forex market. It works very well without your involvement.

People who are traders on the Forex know the risks associated with that trading and accept and appreciate that risk. That is why we are there. Your limiting that risk will only destroy the opportunity for many AMERICANS. So please do not screw with it and limit those opportunities.

Have a little faith in the American people.

Thank you,  
Jim Freedom

**From:** DUWAYNE TOLEN <duwayne@tir.com>  
**Sent:** Sunday, January 24, 2010 4:17 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Proposal

---

To CFTC,

If you change the Leverage from 100:1, You will put me out of Business and living in a box.

Thanks.

**From:** anthony grande <anthonygrande1@live.com>  
**Sent:** Sunday, January 24, 2010 4:20 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** leverage

---

i have been looking at the 10 to 1 leverage issue and i dont think its fair. some cant have a hundred thousand dollar account to open a ten thousand dollar position. i think it is up to the trader how much leverage he or she should use. not the government. if you would like to help forex investors then please crack down on frauds. thank you anthony

---

Hotmail: Powerful Free email with security by Microsoft. [Get it now.](#)

**From:** Wallace H. Jenkins <wjenkins@nyc.rr.com>  
**Sent:** Sunday, January 24, 2010 4:22 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

David Stawick, Secretary  
Commodity Futures Trading Commission  
1155 21st Street N.W.  
Washington, DC 20581

Dear Secretary Stawick:

I am writing to you with great concern regarding the proposed regulations contained in the Food, Conservation, and Energy Act of 2008 (RIN3038-AC61), also known as the "Farm Bill". The portion of the bill limiting foreign exchange trading leverage to 10:1 will decimate the industry in this country and effectively put legitimate traders like myself out of business completely.

I applaud the efforts of the CFTC and have welcomed recent changes in regulations intended to increase protections for inexperienced traders and naïve investors. The new anti-fraud measures, concern for customer complaints, and the effort to reduce predatory practices are all laudable. But this new concern with leverage in foreign exchange accounts is not only counter productive, it will make it impossible for retail traders to do business.

The nature of foreign exchange makes it quite different than trading the securities markets. I have been involved with both for many years. Leverage of at least 100:1 is a necessity for any retail trader to realize a sufficient profit to trade the market at all. And contrary to what one might think, the limit on leverage below these levels will actually put more traders into risk.

Prudent trading requires that an account not be overtraded and that transaction sizes not exceed one or two percent of account net balance. At 10:1 leverage, this prudent sizing of trades would be virtually impossible for most traders, forcing them to risk dangerously high portions of their funds. Without going into the subtleties of trading here, the proposed leverage limits will cause many traders to incur margin calls leading to failed trades that would otherwise be successful. And the less experienced traders, the ones this new proposal is intended to protect, will be forced into trading positions that would heretofore have been considered irresponsible, leading to quick losses and empty accounts.

I urge you strongly to reconsider this new regulation carefully before taking further action.

Sincerely,

Wallace H. Jenkins, Ceo  
Rivendell FX Llc

**From:** Phillip Harris <PhillipHarris@knology.net>  
**Sent:** Sunday, January 24, 2010 4:24 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear CFTC,

In reference to RIN 3038-AC61, I believe the reduction in leverage from 100:1 to 10:1 would reduce the number of participating retail traders in the Forex market. Since this move is only directed toward the Forex market and not the Futures market, I'm struggling to understand the rationale behind this move when so much more leverage can be applied to futures.

If this is an attempt to try to protect the retail trader from overextending themselves, then the lack of education appears to be part of the problem. No one is forced to trade and if there are people who cannot control their risk then they should not be participating. I would rather see additional education or certificate program in place to educate the retail trader before venture into these markets. Relying on the platform providers will not be enough. The internet is full of people trying to separate us from our money. But a genuine education program with some sort of certificate of completion that is monitored so that the retail trader could show they have completed a comprehensive study, understand the risk, and have understanding of the markets would be a step in the right direction.

I will be monitoring the development of this closely.

Thanks for allowing my input.

Best regards,

Phillip Harris

**From:** George Jenkins <gdbj52@gmail.com>  
**Sent:** Sunday, January 24, 2010 4:36 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

David Stawick,  
Secretary, Commodity Futures Trading Commission,  
1155 21st Street, NW,  
Washington, DC 20581

Ref: RIN 3038-AC61

Dear Mr. Stawick,

I strongly urge you to reconsider changing the leverage from 100-1 to 10-1 for US Foreign Exchange brokers. It will only further hurt our staggering economy by causing all US retail traders to flee to overseas brokerages to conduct their business, myself included. I have a very small trading account and this would force me to close up shop or move my account overseas. Please don't do this.

Thank you for not changing the leverage of 100-1 to trade on the Foreign Exchange.

Respectfully,

George Jenkins

--

George Jenkins  
859 559 4744  
Cell 606 315 0303  
[gdbj52@gmail.com](mailto:gdbj52@gmail.com)

**From:** Stawick, David <dstawick@CFTC.gov>  
**Sent:** Sunday, January 24, 2010 4:39 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** FW: Personal Appeal AGAINST 10-1 Leverage Limit in Regulation of Retail Forex Proposal RIN 3038-AC61

---

---

**From:** Manuel Payne [manwellap@gmail.com]  
**Sent:** Sunday, January 24, 2010 3:46 PM  
**To:** secretary  
**Cc:** Stawick, David; Smith, Thomas J.; Bauer, Jennifer; Penner, William; Cummings, Christopher W.; Sanchez, Peter  
**Subject:** Personal Appeal AGAINST 10-1 Leverage Limit in Regulation of Retail Forex Proposal RIN 3038-AC61

Good Day,

This is my second email, the first being the "Form Letter" to let you know how many of us are against the 10-1 proposal.

This email is personal. I just want to be heard and have you understand how impacting such a ruling would be to my livelihood and many others I'm sure.

Very simply, as things are, with a \$10K Forex account, I make a comfortable living with INTRA-DAY trading. With this proposed change, I would need a \$100K account to trade with the same margin of confidence. Please realize that's not an easy (or wise) thing to do. I'll accept some of your rhetoric that you may be wanting to help protect traders, but we all know the risks - just as race car drivers, scuba divers, and parachutist know what they are getting into. We are all big boys and girls!!!! Fewer trades or more long-term trades is not what retail Forex is about, its the daily or even hourly challenge of recognizing what the markets have to offer and being good enough to come out ahead most of the time...we all know you can't "win them all" in trading.

I imagine there are governing issues you face under the "commodity" umbrella and wish to improve the commonality of those rules and regulations, but is it really broken? Last summer the NFA "tweaked" things last year and now it's as though Pandora's box has been opened so you too have to get in and change something that has been fine for nearly 20 years.

The cliché - "If it ain't broke, don't fix it" could never be so appropriately applied! **PLEASE DO NOT PASS THIS PROPOSAL!**

Most Sincere,

Manuel Payne  
Lebanon OH

**From:** info@fundture.com  
**Sent:** Sunday, January 24, 2010 4:42 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Hello, about your proposal, everything looks great except the leverage proposition. With a 1:10 leverage, virtually nobody will try to be a Forex trader, that means that the industry will disappear.

Thanks

Atentamente,

Andrés Vargas  
Consultor de Inversiones  
Cel: 3172609219  
Telefono fijo en Bogota: 6582967  
Calle 118 #19-52 Oficina 206, Bogota, Colombia.  
skype: fundture  
[www.fundture.com](http://www.fundture.com)





**From:** Karen Rogers <bo\_rogers@yahoo.com>  
**Sent:** Sunday, January 24, 2010 4:47 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Karen Rogers  
PO Box 49023  
St. Petersburg, FL 33743

January 24, 2010

Mr. David Stawick  
Secretary, CFTC  
1155 21st Street, N.W.  
Washington, DC 20581.  
Re: RIN 3038-AC61

Dear Mr. Stawick:

As a longtime forex currency trader, I applaud your efforts to require registration of all Futures Commodity Merchants, Retail Foreign Exchange Dealers, Introducing Brokers, Commodity Trading Advisors, Commodity Pool Operators, and Associated Persons. I believe this requirement would substantially reduce the fraud perpetuated by a few unethical firms.

However, I must object with the proposed regulation to set the **maximum** leverage for US retail forex to 10:1. The amount of risk an investor accepts is based on his or her knowledge, experience and personal risk tolerance. The CFTC cannot and should not attempt to stand in my shoes and decide my risk tolerance for me. The tools to reduce risk are already in place via good money management and the use of stops and limits.

Further, investing is and has always been a zero-sum game--at the end of each trading day, there will be winners and losers. No amount of rules or legislation will change this. What the proposed RIN 3038-AC61 regulation will accomplish, unfortunately, will be to drive forex traders to overseas brokers. This, in turn, will result in an outflow of capital to foreign forex brokers, and a possible loss of jobs for US forex brokers.

I am therefore requesting that the portion of proposed regulation RIN 3038-AC61 restricting the maximum leverage to 10:1 be stricken.

Thank you for your time and attention.

Sincerely,  
Karen Rogers

**From:** Cheng Lee <me@prashu.net>  
**Sent:** Sunday, January 24, 2010 4:48 PM  
**To:**  
**Subject:** attn: counsel

---

ZIBO WEL-FIT METAL PRODUCTS CO LTD  
Address: No. 18, Lushan Road,  
Fenghuan Town, Linzi District,  
Zibo City, Shandong

Attention: Counsel,

We the management of ZIBO WEL-FIT METAL PRODUCTS CO LTD, requires your legal representation for our American Customers. ZIBO WEL-FIT METAL PRODUCTS CO LTD is a manufacturer and supplier of metals; we are being owed payment on a shipment that we made to a customer in America in June 2008 and now seeking advice and possible representation in litigation against the non-paying company.

We are of the opinion that the ability to consolidate payments from America will eradicate delays due to inter-continental monetary transaction between Asia and America. We understand that a proper Attorney Client Retainer will provide the necessary authorization and we are most inclined to commence talks as soon as possible.

Your consideration of our request is highly anticipated and we look forward to your prompt response.

Sincerely,

Cheng Lee,  
cheng.lee67@yahoo.com.sg  
ZIBO WEL-FIT METAL PRODUCTS CO LTD

**From:** ndueso@aol.com  
**Sent:** Sunday, January 24, 2010 5:04 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Reducing the leverage in Forex would harm us!

---

Dear Secretary,

While I applaud government's attempt to regulate the forex market and economy to winnow out unscrupulous brokers and brokerage houses, reducing the leverage from 100:1 to 10:1 would greatly impact me. Under the current system, I can control 100 lots with \$1.00 or 10,000 lots with \$100.00; but under your proposed rule, I will be able to control only 10 lots with \$1.00 and only a 1,000 lots with \$100.00.

I do not know what investment or legal knowledge in the forex market inform your decision to propose this legislation, but I can tell you if and when it is passed into law, it will hurt the small investor looking for supplementary income. Most of us trade with money we would invest playing Lotto - which actually gives the player an even greater risk quotient than the forex market.

Please rethink this proposal. While I want you to protect me, I do not want you to take away a leverage in the market, which is actually a benefit to the small investor because if that leverage is taken away, I may be forced to come up with more money to trade the forex market. If I do not have the money to invest in this case, \$1,000.00 instead of \$100.00 to control 10,000 lots, then I would not invest in the forex market and the law would have denied me a benefit that already exists.

Thank you for listening. Please, do the right thing for the little guys like me leave the forex leverage at its current 100:1 status in the new law.

Michael E. Uduk  
2760 NE Saratoga Street  
Portland, OR 97211  
(503) 592-6400 (Cell)

**From:** Brad Fuller <brad\_fuller@cox.net>  
**Sent:** Sunday, January 24, 2010 5:06 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

In regard to the proposed Forex regulation change RIN 3038-AC61, I respectfully ask that you **NOT** implement the leverage change from 100:1 to 10:1.

I am a small retail Forex trader and I understand the risks involved in trading and I manage my account according. I appreciate your concerns about a very few individuals not managing their accounts properly, but making this proposed change would hurt many small traders like me who do manage their accounts properly. It is not fair to punish many individuals for the mistakes of a small minority.

I trade with a small account size and this proposed change would basically make me stop trading. If your intent in this proposal is to force most small retail traders out of the market, then you will certainly succeed. Good intentions alone are not enough to warrant this change. The government should not be trying to protect stupid people from themselves by punishing the majority who act properly.

Respectfully yours,

Brad Fuller

**From:** wjenkins@nyc.rr.com  
**Sent:** Sunday, January 24, 2010 5:10 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Comment Form

---

Below is the result of your feedback form. It was submitted by  
(wjenkins@nyc.rr.com) on Sunday, January 24, 2010 at 17:10:27  
-----

commenter\_subject: Regulation of Retail Forex - RIN 3038-AC61

commenter\_frdate: January 20, 2010

commenter\_frpage: Page 3283

commenter\_comments: I am writing to you with great concern regarding  
the proposed regulations contained in the Food,  
Conservation, and Energy Act of 2008  
(RIN3038-AC61), also known as the "Farm Bill". The  
portion of the bill limiting foreign exchange  
trading leverage to 10:1 will decimate the industry  
in this country and effectively put legitimate  
traders like myself out of business completely.

I applaud the efforts of the CFTC and have welcomed  
recent changes in regulations intended to increase  
protections for inexperienced traders and naïve  
investors. The new anti-fraud measures, concern  
for customer complaints, and the effort to reduce  
predatory practices are all laudable. But this new  
concern with leverage in foreign exchange accounts  
is not only counter productive, it will make it  
impossible for retail traders to do business.

The nature of foreign exchange makes it quite  
different than trading the securities markets. I  
have been involved with both for many years.  
Leverage of at least 100:1 is a necessity for any  
retail trader to realize a sufficient profit to  
trade the market at all. And contrary to what one  
might think, the limit on leverage below these  
levels will actually put more traders into risk.

Prudent trading requires that an account not be  
overtraded and that transaction sizes not exceed  
one or two percent of account net balance. At 10:1  
leverage, this prudent sizing of trades would be  
virtually impossible for most traders, forcing them

to risk dangerously high portions of their funds. Without going into the subtleties of trading here, the proposed leverage limits will cause many traders to incur margin calls leading to failed trades that would otherwise be successful. And the less experienced traders, the ones this new proposal is intended to protect, will be forced into trading positions that would heretofore have been considered irresponsible, leading to quick losses and empty accounts.

I urge you strongly to reconsider this new regulation carefully before taking further action.

Thank you.

commenter\_name: Wallace H. Jenkins

commenter\_firm: Rivendell FX

commenter\_withhold\_address\_on: ON

commenter\_address1: 40 East End Ave. #2H

commenter\_city: New York

commenter\_state: NY

commenter\_zip: 10028

commenter\_fax: 212-879-8984

commenter\_phone: 212-879-8984

-----

**From:** Dick Anderwald <dickanderwald@comcast.net>  
**Sent:** Sunday, January 24, 2010 5:16 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

David Stawick, Secretary

Commodity Futures Trading Commission

Secretary Stawick,

RE: RIN 3038-AC61

It is vital that fraud and deception within the Forex Market be eliminated. However, reducing leverage would not achieve the stated intent. I believe that the customer should be given the freedom to choose the appropriate amount of leverage for his/her individual trading style and risk tolerance.

Please do not penalize the retail customer. Instead, increase oversight over broker practices, so that the playing field is level for retail customers.

Thank you,

Richard F. Anderwald

4796 Overture Ct

Colorado Springs, CO 80906

**From:** qj leng <leng5616@yahoo.com.cn>  
**Sent:** Sunday, January 24, 2010 5:16 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Sir.

I hope to keep the old regulation :200:1 .

Qingji Leng

01-24-2010

---

好玩贺卡等你发，邮箱贺卡全新上线！



**From:** Derek L Dickson <dblprops@aol.com>  
**Sent:** Sunday, January 24, 2010 5:23 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To Whom It My Concern,

In regards to the proposed leverage limitation (RIN 3038-AC61), **this would make it nearly impossible for people with minimal capital to participate in the Forex market. I believe this to be an unfair and discriminatory limitation that would take away opportunity for many investors.**

Thank You,

Derek L Dickson

**From:** qj leng <leng5616@yahoo.com.cn>  
**Sent:** Sunday, January 24, 2010 5:27 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Sir.

Please keep the old regulation 200:1 .

No:RIN 3038-AC61

Qingji Leng

01-24-2010

---

好玩贺卡等你发，邮箱贺卡全新上线！

**From:** tahoebd2@aol.com  
**Sent:** Sunday, January 24, 2010 5:28 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To Whom It May Concern,

I understand the desire to regulate the Forex Market in general but do not see the it to be prudent to reduce the leverage. The current leverage can be easily handled with proper money management of your Forex account. To reduce it any further would put U.S. citizens at a disadvantage compared to the rest of the world. Also most individuals would probably just open a foreign account to get around the problem.

Thanks,

Jerry Whitman  
tahoebd2@aol.com

**From:** tony zhang <tonylzhang@gmail.com>  
**Sent:** Sunday, January 24, 2010 5:29 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

I like keep 100:1 for Regulation of Retail Forex.

Thank you  
Tony Zhang  
**RIN 3038-AC61.**

**From:** Harvey Ackermann <pictexas@sbcglobal.net>  
**Sent:** Sunday, January 24, 2010 5:32 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Proposed Rules Regarding Forex

---

Mr. Secretary,

I am against changing the current leverage amounts for spot traders in the Forex markets. Doing so unduly burdens a trader with higher risk and less return per trade. Implementing the proposed changes will force me and other small traders out of this market.

I urge you to reconsider these new rules and allow the current 100:1 leverage ratio unchanged.

Sincerely,

Harvey Ackermann  
Forex Trader

**From:** Sharon Glen <sharonglen5@bigpond.com>  
**Sent:** Sunday, January 24, 2010 5:34 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Ref: RIN 3038-AC61  
Federal Register 75 FR 3281

Mr David Stawick  
Secretary  
Commodity Futures Trading Commission  
1155 21st Street, NW.  
Washington, DC 20581

January 25, 2010

Dear Mr Stawick,

Thank you for the opportunity to comment on the proposed changes to retail Forex. The Commission is to be congratulated on the many excellent initiatives to address consumer protections.

For the purposes of comment, this paper will address only two of the proposed changes. The paper will however, also raise additional matters of importance to retail forex consumers. These additional matters are consumer protection initiatives that the Commission may wish to consider further and include in the proposed legislation.

*1. Proposed Regulation 5.9 - Security Deposits for Retail Forex, in particular, Proposed Regulation 5.9 (a) which requires each RFED and FCM to collect from the customer a security deposit equal to ten percent of the notional value of the retail forex transaction, effectively limiting leverage across the board to 10:1.*

Comment: The proposed tightening of leverage to this extent reaches well beyond what is required to adequately address consumer protections. It will instead, very likely be wholly counter-productive to industry viability, giving rise to unintended consequences (as already stated by the FXDC members) in sending significant volumes of US business and taxation revenue off-shore.

From the trader's perspective, 10:1 across the board fails to recognize the varying levels of skill and knowledge already present among more experienced traders; it discourages entrepreneurship; it disenfranchises small accounts from participation; it fails to acknowledge the root causes of traders taking excessive risk; it fails to take into account the impact of the Commission's own regulatory initiatives (particularly regarding new disclosure provisions, capitalization and registration requirements) in this same document (if implemented), many of which will assist to address the exposure to risk issues for traders operating in the off-exchange arena; it is premature (and potentially unnecessary) given the need to allow sufficient time for proper assessment of the recent NFA rule changes to reduce leverage from 400:1 to 100:1.

In reviewing the Commissions' supporting argument in favor of reducing leverage to 10:1, it appears that the Commission is particularly concerned about ensuring solvency of dealers (a legitimate concern), without necessarily taking into full account the impact of a further widespread blanket reduction in leverage upon traders and the industry as a whole.

Nevertheless, recognition by the Commission of the potential perils for new traders (in particular) to engage in excessive risk taking is an entirely valid and shared concern. It is therefore proposed that leverage be moderated as follows -

10:1 for the first 3 months of live trading

25:1 in the next 9-12 months  
50:1 for traders up to 2 years  
100:1 for traders with more than 2 years

This structure enables the CFTC to put some brakes into the system early on (which is where most of the damage occurs for new traders). Traders who prefer higher levels of leverage would still be able to utilize that capacity but must demonstrate sufficient experience to be fully cognizant of the risk. Moreover, if graduated levels of leverage are linked to improved online education (see # 5 below), such a structure provides traders with considerable incentive to improve both their knowledge base and performance. This is a potential win/win outcome for dealers and traders alike. Successful traders are long-time repeat business. It also provides a measured, balanced response by the Commission to meet its obligation to protect consumers at the point at which they are most vulnerable to exploitation (due to the new traders' lack of experience and knowledge) yet also importantly recognizes that more knowledgeable and experienced traders are sufficiently competent and capable of making their own risk management decisions and are entitled to have those freedoms at their disposal.

*2. Proposed Regulation 5.2 Prohibited Transactions - Anti-fraud. Regulation 5.2, which, in addition to prohibiting fraudulent conduct in connection with retail forex transactions, now prohibits anyone from acting as the counterparty for a retail forex transaction in an account for which that person has discretionary trading authority.*

Comment: This regulation, addressing counterparty conflict of interest where discretionary trading authority has been granted, speaks also to the wider conflict of interest issue surrounding dealing desk operations. This regulation needs to be expanded (or re-written to incorporate a separate regulation) that requires the elimination of all dealing desk transactions in favour of STP or ECN transactions only. From the consumer perspective, it is manifestly inappropriate that one's broker is currently allowed to be taking the other side of the trade. This pollutes the broker's duty of care to customers, rendering market advice, trade signals and opinion offered by said brokers as highly unreliable. New traders seldom understand the importance of this separation of functions, or the way in which they can be manipulated by the dissemination of mis-information by brokers sitting on the other side of the trade.

#### **Additional Consumer Protection Matters:**

*3. Proposed New Regulation: Creation of a Forex Retail Traders' Consumer Advice Bureau*

Concept: Establishment of an independent consumer run FX Retail Traders Consumer Advice Bureau and Resource Centre, funded by a very small industry levy (e.g. 0.1% of revenue) taken from dealer's profits (similar to the UK banking/finance industry initiative recently implemented).

Comment: A Consumer Advice Bureau would enable traders to access fully independent high quality advice. Such an organisation could additionally act as a central resource point, collating and providing information on any and all matters associated with retail Forex, in effect, a one-stop-shop and first point of call for all new traders. Further, such an organization could meet a current need for the undertaking of quantitative and qualitative research on consumer experience of the retail forex market (an adequate research base is yet to be established, but is urgently required to accurately quantify the issues and properly inform debate).

Consumers presently lack voice equity in the industry. There is no official body to speak for traders, no official body for traders to liaise with regulators or industry providers, nor indeed, an official body for regulators or industry to consult with on a regular basis. The CFTC has a fiduciary obligation to grant consumers a seat at the table from which the industry as a whole feeds.

*4. Proposed New Regulation: Charter for the CAB (Consumer Advice Bureau) to establish Industry Benchmarks and issue Quality Seals.*

Concept: Benchmarks and quality seals would be applicable and available to all industry providers (on a voluntary basis) who meet the standards.

Comment: This initiative provides consumers with an independent means of comparing performance and offerings between dealers and all other industry service providers. Traders tend to listen to the recommendations of other traders above any other source. Fraudulent and exploitive behaviours from less reputable operators towards the more naive inexperienced traders up to this point in time has generated a climate of mistrust and suspicion for all (regardless of whether or not such mistrust is warranted.) Voluntary accreditation of Forex service providers (brokers, IB's, mentors, educators, websites, trade signal services etc.) meeting high standards of integrity and service provision would provide a means to set a standard, and for service providers to make their own choices about meeting those standards. This in turn would provide consumers with important guide-posts to quality industry outlets and providers.

#### *5. Proposed New Regulation - Specific Disclosure Requirements - Education.*

Concept: A mandatory no-cost Forex 101 Education Module written by a team of experienced retail traders (minus commercial agendas of their own), delivered online through brokers, prior to new traders opening a live account. Leverage increases linked to successful completion of further online tutorials.

Comment: New traders are frequently drowned in a sea of completely irrelevant information, including many of the online tutorials offered by brokers free of cost to new traders. The overload of irrelevant information can divert trader attention from the trading knowledge that matters most, contributing to losses in absentia of being properly informed from the outset. While many brokers are presently making significant efforts to address trader education, the content of those courses needs scrutiny and external rigor free of any conflict of interest. The role of education, of proper and full information prior to entering the retail Forex market, together with the generating of a retail environment conducive to continued learning in the first 2 years of the trader's market experience, cannot be emphasized enough.

#### Summary

This moment in time is an important opportunity for the CFTC to set this industry on a sound footing for the long term. Consumers need to be partnered into all industry relationships. The business advantages to dealers are considerable (given that consumers listen to the advice of other consumers ahead of any other source), as are the advantages to the Commission in meeting it's obligation to watchdog consumer protections by ensuring fair trading practices. The regulatory changes being proposed by the Commission are for the most part, valuable additions, however they are only part of the consumer protection equation. The other part of the equation is elevating consumers themselves to a place where they can have full and fair equity at the industry table.

Thank you for the opportunity to submit comment on the CFTC's work.

S. Glen  
Forex Retail Trader  
Equities, Options and Futures Trader  
Former Independent Forex Analyst, Market Educator, Online Author  
B. App. Sc., Master of Public Administration, Master of Teaching ('10)



**From:** Diane Stefan <44special@gmail.com>  
**Sent:** Sunday, January 24, 2010 5:46 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

In regards to your proposed regulation ref: **RIN 3038-AC61** I am in full disagreement with this regulation. I believe this is yet another freedom trying to be taken from us as citizens. With the proposed change in leverage, I would no longer be able to trade. I have a disabled son and this leverage affords me the ability to provide for my family while staying at home. If you impose this change, I will become unemployed.

Regretfully,

Diane Stefan

--

~ Carpe Diem ~

"Life is not about waiting for the storms to pass....it's about learning how to dance in the rain."

**From:** Fred Heintzman <fheintzman@verizon.net>  
**Sent:** Sunday, January 24, 2010 5:49 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulating Retail Forex

---

Dear Sir, I strongly disagree with the further reduction of the leverage used in the Retail Forex. This would only hurt the small investor, who has already been hurt on all fronts and are trying to recover. They are the strength of this economy please do not limit they're ability to compete on the world stage. The changes made in 2009 are working just fine. Concerned Trader Fred Heintzman

**From:** George Morris <gem1@yahoo.com>  
**Sent:** Sunday, January 24, 2010 5:52 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Hello,

I am writing you in reference to your proposed new regulation of Forex leverage from 100:1 to 10:1 for all NFA and CFTC regulated Forex firms.

This would have a negative impact on myself and the entire Retail Forex industry. As a **small** retail Forex trader, the current margin fits my needs well.

By imposing higher margin requirements on the small trader it would give more power to the people who already have it-the large institutions and wealthy traders.

Please retain the current margin levels to benefit myself, small retail traders and the entire Retail Forex Industry and associated **jobs**.

Sincerely,

George E Morris

**From:** Michael Holliday <mkholliday@yahoo.com>  
**Sent:** Sunday, January 24, 2010 5:56 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

RIN 3038-AC61

I hope you leave the Forex trading as is. Can't you government people see that everything you get involved in, you screw up!!!

**From:** Carl Scott <carlscott1982@msn.com>  
**Sent:** Sunday, January 24, 2010 5:57 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Sir/ Madam,

I would just like to quickly comment on one aspect of the proposed regulations: The wildly controversial lowering of the leverage.

I am not a US citizen, so my comments may not mean anything, but I do use a US broker (as do many other foreigners. I am Australian) and as such I will be one of the private traders vastly affected by this move. I'm not going to say much, as I'm sure there will be many, far more eloquent, people explaining to you how essentially every other trader, bank and institution must feel about this. All I can ask is that you reconsider. There is no upside. The impact on traders, on the US economy, will be phenomenal. You won't be just shooting yourself in the foot, you'll be blowing off the entire top half of your body.

There is no need to impose a nanny-state. You are not China. The people can look after themselves, the banks have already learned some lessons over the last couple of years. If you feel the available leverage needs to be lowered somewhat, move it to 75:1. 10:1 is massive overkill.

Thanks for listening,

Carl Scott (AU)

---

Start searching NOW! [Search for properties that match your lifestyle!](#)

**From:** Gary Reichle <greichle@verizon.net>  
**Sent:** Sunday, January 24, 2010 6:06 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** proposed 10:1 leverage

---

To the Secretary-

I have been demo trading forex for the past three years, and am opening a live account this week when I heard the news of the proposed 10:1 leverage ruling.

I cannot beg you enough to stop that ruling, since I am the sole breadwinner of my family after my husband's stroke.

This is a business I need, and a job I am putting myself into which I control despite the bad economy. A retail trader needs to keep the leverage where it has been. If it goes to 10:1, hundreds of thousands of traders will have "lost their jobs", and this is something that has always been independent of any economic cycle. Trading is an environment which does not depend on the economy being up or down, and for those who want to do it, it is their last bastion of independence.

The CFTC needs to oversee and regulate, not kick thousands of traders out of their business by making it impossible to do their job.

Please reconsider this.

Sincerely,

Nancie Reichle

**From:** Joe Huguenard <thedreambuilder@gmail.com>  
**Sent:** Sunday, January 24, 2010 6:14 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To whom it may concern,

RIN 3038-AC61

How is a 10:1 leverage suppose to help us? Aren't you suppose to provide a safe environment to trade in, not kick us out of the game, which is what will happen under the new cap being considered.

This 10:1 cap is abusive and quite damaging to the overall success of all involved and will, eventually, hurt the system, not help it.

Why not let people decide what leverage to use?

Respectfully,

Joe Huguenard

**From:** Sandra Stewart <sbstewart41@hotmail.com>  
**Sent:** Sunday, January 24, 2010 6:16 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Gentlemen:

RIN 3038-AC61

I have traded on the Forex for several years. I am a small trader, and when I was informed of your plans to change the minimum leverage on Forex trading I was really dismayed, since I enjoy this activity immensely. It is a shame government finds it necessary to curtail every avenue to wealth open to the ordinary Citizen and cut off everyone's "Free Choice to Pursue Happiness" as one sees inclined.

Please refrain from taking this step, and allow the individual to determine their exposure to risk.

Sandra B Stewart  
RIN 3038-AC61



**From:** principalmark@juno.com <"principalmark@juno.com">  
**Sent:** Sunday, January 24, 2010 6:17 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Proposed 10 to 1 leverage in forex trading

---

I'm sending this e-mail to let you know that I am strongly against the proposed change to limit the leverage on forex trading accounts to 10 to 1. This will take small traders like myself out of the forex market or unfairly limit our ability to trade as others do in other countries. I do not see any reason for this being done. It is certainly not for my protection! Please do not limit our ability to trade and keep the leverage at least to 100 to 1.

Thank-you,

Mark T. Collins

**From:** Stan Blosser <stan@theblossers.net>  
**Sent:** Sunday, January 24, 2010 6:20 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To whom it may concern:

I am a amateur retail forex trader, and I oppose the rule to reduce leverage limits to 10:1 from the current 100:1. I have an excellent relationship with my broker, and my account is consistently growing. While I do not use all of the 100:1 leverage currently available to me, this new rule would seriously hamper my ability to trade efficiently, and there by limit my income potential. The financial markets in the United States are already so heavily regulated that the transactional costs keep "the little guy" out, for the most part, which is why I enjoy the low cost simplicity of forex trading.

Whatever the motivations for this rule may be, I find it reprehensible for the CFTC to further interfere with and cripple an over-the-counter market.

Thank you for your time.

Sincerely,  
Stan Blosser

**From:** one09flat04@aol.com  
**Sent:** Sunday, January 24, 2010 6:33 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** We subscribe to the following opinion !!!

---

"Meanwhile, the CFTC is stirring things up once again. First they made it illegal for Gold and Silver to be traded on the Forex market. Then they passed their FIFO ruling that made hedging illegal. And now they want to place a 10:1 limit on leverage!

This seems particularly unreasonable considering the Futures market is closer to 20:1.

I'm all in favor of regulation designed to protect the trader from broker-fraud. For example, I think Forex brokers should be required to segregate funds and carry insurance same as with the Futures market and same as the UK and Canada.

But, I think they should leave the leverage alone.

You can get 100:1 leverage in Canada and the UK. Limiting leverage in the US would put an unfair burden on traders and brokers alike"

Orlando C. Madeira < [one09flat04@aol.com](mailto:one09flat04@aol.com) >.

**From:** Michael Johansen <michael\_johansen45@yahoo.co.uk>  
**Sent:** Sunday, January 24, 2010 6:35 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** REGULATING LEVERAGE IS NOT GOING TO CHANGE HUMAN NATURE, NOR WILL IT SAVE THE MINORITY

---

Many of us who have been trading for years know that leverage is the double edged sword - it is your friend and it is your enemy.

There is plethora of **training options out there for the novice Trader**. People who come into trading have a high risk tolerance that does not mean to say that they have actually thought about what they are doing; essentially this group of people are gamblers. REGULATING LEVERAGE IS NOT GOING TO CHANGE HUMAN NATURE, NOR WILL IT SAVE THE MINORITY.

WHY SHOULD THE MAJORITY OF TRADERS BE PENALISED FOR THE PROTECTION OF A MONORITY GROUP.

Regards

**From:** WB Heilmann <wbheilmann@gmail.com>  
**Sent:** Sunday, January 24, 2010 6:44 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex  
**Attach:** ATT00002.htm

---

The newly proposed changes to US trading rules have a few good ideas in them, but the 10:1 maximum leverage limitation is a bit extreme, don't you think? This is a very severe limitation for those who trade Forex using responsible risk management practices.

One who trades irresponsibly will quickly find oneself out of funds and out of Forex trading. That is the fault of the individual trader, and that trader should not have been involved with Forex in the first place. No amount of "protective" regulation can save such a trader from (stupidly) not following good risk management principles. Therefore, a governmental entity should not try to "save" irresponsible traders from their own poor business practices...let them fail so that they can find a more suitable way to invest their money.

The 10:1 limitation would be horribly restrictive for knowledgeable and responsible Forex traders. Please do not implement this poorly-conceived regulation.

Thank you for taking the time to read this message.

WB Heilmann

The newly proposed changes to US trading rules have a few good ideas in them, but the 10:1 maximum leverage limitation is a bit extreme, don't you think? This is a very severe limitation for those who trade Forex using responsible risk management practices.

One who trades irresponsibly will quickly find oneself out of funds and out of Forex trading. That is the fault of the individual trader, and that trader should not have been involved with Forex in the first place. No amount of "protective" regulation can save such a trader from (stupidly) not following good risk management principles. Therefore, a governmental entity should not try to "save" irresponsible traders from their own poor business practices...let them fail so that they can find a more suitable way to invest their money.

The 10:1 limitation would be horribly restrictive for knowledgeable and responsible Forex traders. Please do not implement this poorly-conceived regulation.

Thank you for taking the time to read this message.

WB Heilmann

**From:** J.Barrington Jackson <barrnton@gmail.com>  
**Sent:** Sunday, January 24, 2010 6:47 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Re: RIN 3038-AC61

Greetings,

This letter is written in opposition to the proposed regulation requiring security deposits sufficient to reduce the leverage in retail forex transactions to 10:1. The leverage should be retained as 100:1 for major currencies and 25:1 on non-major currencies.

I am a retail trader in forex.

Retail traders do not need the "protection" offered by the proposed regulations for the following reasons:

1. The intent behind these transactions are speculative, and the retail trader understands that only risk capital, money that the trader can afford to lose, is to be used in such transactions. Increasing the security deposit is not rationally related to the objective of protecting vulnerable populations from fraudulent marketing practices, since higher net worth doesn't mean greater sophistication.
2. The exposure to loss beyond the amount placed in the forex account is minimal to nil. For practical purposes collecting such losses from the customer thru legal process costs more than the amount owed, and in any event modern electronic trading and high forex liquidity allows for swift position liquidation prior to the creation of a negative account balance. Given the dealer's own self interest to avoid customer negative account balances, the electronic nature of the trading, and the high liquidity in major currencies, leverage higher than 10:1 can be easily dealer managed to avoid loss in excess of the account balance. Access to currencies with lower liquidity can be shut off if necessary.
3. I note that previous regulation with respect to stop loss orders has actually made it more difficult for the US based trader to manage risk of loss. Where was the Commission's concern for customer losses then?
4. Counterparty risk is not a risk that would be alleviated by increasing the security deposit requirements. Counterparty risk is the credit risk of the counterparty, and is addressed primarily by the capital requirements required of the dealer. Practically speaking, the dealers often do not even hedge their retail counterparty exposure since at any given time most of the retail open positions end up on the wrong side of the market. To suggest that the proposed reduced leverage alleviates counterparty risk is simply a fabrication.
5. Requiring additional capital in the customer account in order to cover customer funds in the case of failure of the dealer is nonsensical. The additional capital requirement would only mean that should liquidation occur, the customer will have more in the account to lose. Requiring a liquidation risk premium, the additional funds required because of the

reduced leverage, simply creates a tax on the capital transaction, and makes United States based accounts less competitive with similar accounts in foreign countries.

6. What "current industry practices" did the Commission consider? Is the Commission more concerned with protecting currency futures contracts and other products that compete with the forex market? Price discovery of the exchange rate between two currencies used in worldwide trade is much more efficient and transparent than the Chicago proprietary futures products which only approximate a basket of exchange rates and which trade in a smaller market; and by definition a smaller market is more susceptible to price manipulation.

Generally we are at the "after the credit bust" point in the business cycle where regulators are called upon to prevent the credit abuses of the immediate past. The danger is always over regulation and mistargeted regulation. Capital is attracted to the United States because of a sound economy and the safety provided in part by regulation. The U. S. economy is however based upon incentives to put capital at risk. Risk capital is the mother of invention. And speculators provide a counterparty to business transactions that lower the cost of doing business. But mistargeted regulation creates disincentives to transact business and pushes capital elsewhere.

The fact is that the world no longer needs the blessing of US regulators for capital transactions such as Forex. Witness the US attempts to regulate internet gambling and other moral legislation. The result has been that most of the world's internet traffic no longer passes through US based internet hubs. Protectionist measures are invariably futile — this proposed reduced leverage will not protect Chicago's currency futures contracts. Those contracts will have to be redesigned to incorporate forex pricing and marketed based upon their ability to hedge to a specific future date, required for business management of currency risk.

Innovate, not regulate.

Respectfully submitted,

J. Barrington Jackson

New York, United States



**From:** James Bilinski <redi2retire@gmail.com>  
**Sent:** Sunday, January 24, 2010 6:50 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Leverage

---

I am an owner of an asset mgt firm and I oppose lowering the leverage any more as it only hinders my ability to profit for my clients. James Bilinski Bull Flag Asset Mgt

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 6:59 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

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Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Jeanetta

last\_name Brewster

address1 4997 FM 1374

city Huntsville, TX 77340

country United States

us\_state TX

zip 77340

company none

Please do not limit the amount of leverage a forex broker in the US can offer. I have finally found a way to make a living with forex after I sustained a injury at my regular job. Now I can work at home by trading forex to earn a living. If you change the rules, I will not be able to return to a regular job (working outside the home) becuae of physical disabilities. Also, I have spend much time and resources getting an education to learn forex trading. Please do not change this rule. Thank you for whatever attention you may give this matter.

**From:** sandybeachtoo@aol.com  
**Sent:** Sunday, January 24, 2010 7:00 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To whom it may concern:

As a FOREX trader, I applaud many of the regulations you are proposing. My firm MB Trading already has most if not all of the precautions in force.

I do NOT agree with the change in maximum leverage requirements. By changing the leverage from 100:1 to 10:1 you make trading FOREX much less advantageous. It pushes the small trader out of the market. You have to believe in trader's education of themselves. You can not regulate learning. The FOREX firms I deal with have numerous tools to limit loss - multiple stop loss options. Maybe FOREX firms need to limit orders to only orders that have an "exit plan" within the trader's account means. But that should be between the firm and the trader.

Please take this into consideration.

Sincerely,  
Julia Ward  
Atlanta, GA

**From:** keith heard <shiftolo@yahoo.com>  
**Sent:** Sunday, January 24, 2010 7:03 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:**

---

I am a small investor, I cannot understand for the life of me why the CFTC would want to limit leverage in retail forex trading to 10:1, eliminating hedging was crippling enough to the small investor, why is the CFTC trying to eliminate the small investor?

**From:** Doug Mendl <gdmendl@comcast.net>  
**Sent:** Sunday, January 24, 2010 7:03 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** New Margin Proposal

---

As a small trader I believe this goes against us. The 100:1 leverage gives us little guys some fair footing. If you lower it to 10:1 you virtually take us out of the game. The government's actions nowadays appears to be totally against small business and the little guy. Every move that's been made has helped banks and hurt us. The banks got the bailout funds and we can't get a loan. You cut down the leverage and you give them the upper hand again. You need to understand that the little guy is what built this country and is what will bring it out of the hole it's in now.

Leave the 100:1 leverage in place.

Doug Mendl

**From:** New Trend <newtrendfx@gmail.com>  
**Sent:** Sunday, January 24, 2010 7:03 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Stop the proposed changes to retail forex trading industry

---

Hello,  
If the idea is to protect the traders it will not work as more and more traders will move their accounts offshore to, may be unregulated brokers.  
You need to reconsider the changes.  
Regards  
Newtrend  
(Lovneet)

**From:** Ken Robert <kenrobert64@yahoo.com>  
**Sent:** Thursday, January 21, 2010 8:05 PM  
**To:**  
**Subject:** Goodday!!!Compliment and Happy New Year

---

Goodday!!!Compliment and Happy New Year

I have been waiting for you since to contact me for your Confirmable Bank Draft of \$2.5Million, United States Dollars which i kept for you but I did not hear from you since. The bank draft worth of \$2.5Million has been Conected into physical cash and registered as consignment with UPS, so you have to contact them with the information below.

Contact Person: Dr. Michael James  
Email Address: upscourierservicesaccra@neu.com.cn  
Tel/FAX: +233 20330-6525

The only money you will send to them for the deliver to your postal Address is (\$173.00 USD) for Security Keeping Fee Finally, make sure that you reconfirm your Postal address and Direct telephone number to them again to avoid any mistake on the Delivery.

Note that you have to pay the security keeping fee of \$173 usd before they can issue the tracking number to you ok.and for their immediate action.  
Yours

Ken Robert.



**From:** David Newton <denv@prodigy.net>  
**Sent:** Sunday, January 24, 2010 7:09 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex - ID #RIN 3038-AC61

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To whom it may concern,

I would like to express my frustration and concern over your new proposed regulation to change the maximum leverage for retail forex traders to 10:1. You have already stopped buying and selling simultaneously and other changes that are forcing many to consider, if not actually, open an account offshore, where there is less regulation and such strict rules that will pretty much dry up smaller forex traders from making any kind of money here in the U.S. and forcing them for alternatives. Only the big guys or the rich, again, are given the advantages. This is totally unfair and NOT RIGHT to do!! Please re-consider your proposals that we smaller retail customers do not need as much as you think. Give us a break and a chance to make a living with job losses and all that is going on here in the U.S. Keep our business here in the U.S., not overseas. Who do you really want to benefit? Think about it and make a wise decision not to further "push" to little guy around, until he really does something desperate. Thank you for your consideration of my comments.

In His Service,  
Dave Newton  
D.E.N. Ventures, Inc.  
(719) 590-9954 (telephone)  
(719) 528-1717 (fax)  
(719) 331-0171 (cell)

**From:** Mindy Yost <mindyyost@kc.rr.com>  
**Sent:** Sunday, January 24, 2010 7:09 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of retail forex

---

Dear CFTC,

Once again, your organization is showing how detached you are from the reality of a venue you have been charged to regulate. I am speaking, of course, about Retail Forex. I have been involved in the Spot Forex for years, and was one of the strongest supporters of regulation. It sickens me to see what you have done to date regarding the regulations you have put in place. You are truly making a mockery of yourselves and your authority. It becomes more obvious with each new "rule" you throw out there, that you have NO UNDERSTANDING WHAT-SO-EVER of what Retail Forex is about, how it works, where the real problems originate, or why it should be preserved as an investment alternative for the individual trader.

I could list here the myriad of reasons why the Leverage reduction to 10:1 is a bad idea, but I am sure you will hear those reasons from thousands of others who will write to you. But add me to the list of those who think that you are WAY OFF BASE with this, just as you were with the FIFO and the Hedging ban.

If you people ever want to actually hold a forum with real traders to help you understand Retail Forex and how to regulate it in a logical and functional way, please feel free to give me a call. I would be more than happy to participate.

Mindy Yost  
913-339-9221  
mindyyost@kc.rr.com

**From:** spaul@sonic.net  
**Sent:** Sunday, January 24, 2010 7:11 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To whom it may concern:

I am writing to express my opposition to the proposed leverage change . The change would drastically limit my ability to trade the Forex.

Sincerely,

Susanne Paul

2 Oak Shadow Place

Santa Rosa, CA 95409

707-539-5452

spaul@ sonic.net

**From:** worth00007 <solitary-bird@comcast.net>  
**Sent:** Sunday, January 24, 2010 7:14 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Secretary Stanick,

Re: RIN 3038-AC61, proposal to change the Forex trading leverage limit from 100:1 to 10:1

Although I understand & agree with the intention of this change as I see it—to prevent inexperienced or incompetent traders from losing their savings in trades they are not prepared to make—I am not sure raising the limit to an unaffordable level for most traders is the best solution. Many traders like myself who have studied hard not to make poor decisions and understand the risks involved in leveraging but are fairly new to the business and are building our margin accounts will literally be forced to end our careers if this change passes. Many of us have small investments in our margins and, through competent trading, are working toward building them to a point where we can function independently. This is a slow process, however, no matter how good we are at trading. Decreasing the leverage we use now by tenfold would require us to instantly have margins many times what they are now to be able to trade at the same level we trade with current leverage limits. For every incompetent trader you "save" from losing her or his investment by making the initial margin requirements prohibitively high, you will put at least one competent trader trying to reach independence out of business.

What I see happening is that the change just "raises the bar" on the amount required to set up a new account so, regardless of competence, the only people who will be able to trade enough to make a living at it will be those who already have a substantial amount of money to invest in a margin account. This prohibits a great many potential investors who may not have a huge amount of initial capital but are competent and understand the risks from being able to trade sizable enough amounts to live.

The change is unfair to those of us in this position, and more, it goes against the intention of our country's constitution and rights. Implicit in freedom in this country is the freedom to make poor judgments. We need laws to protect us from fraud, *but* as long as adequate information regarding risks of our actions is available to us, preventing us from acting or making a decision unless we have enough money (which is what the change seems to be doing: disallowing entry into trades of adequate size unless one has enough money to put up initially, regardless of competence) seems counter-productive.

Rather than raise the stakes so that only people incompetent to trade with enough money to set up an adequate margin account can trade, why not require a certification process requiring new traders to receive instruction on the risks of high leverage and how to avoid them? This would at least require all potential traders to be aware of steps necessary to survive this business whether they take them or not, *and* allow those of us who know this already but are still building our accounts to remain traders. (It has the added advantage of generating revenue for those who teach the courses.)

Sincerely,

Richard Worth

**From:** Matthew Hutchinson <hutchinsonenterprises@yahoo.com>  
**Sent:** Sunday, January 24, 2010 7:15 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

RIN 3038-AC61

Lowering the max leverage to retail forex clients does nothing but hurt us. We are the ones that use and benefit from 100:1 and 200:1 leverage. Its these margin amounts that makes forex accessible to the small investor. I do not need the government protecting me from me. I should be the one that decides what is the right risk for my self.

**From:** adrian oncel <adrian.oncel@gmail.com>  
**Sent:** Sunday, January 24, 2010 7:26 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Attn : David Stawick, Secretary, CFTC and ALL CFTC policymakers

As a non-affiliated US-based Retail FX trader, please note for the record that I am STRONGLY OPPOSED to the 10-1 leverage limit as proposed in RIN 3038-AC61 relating to the Regulation of Retail Forex. Counter-productive effects This limit would in NO way protect, aid or benefit me but rather would greatly harm me since this restriction, if passed, would require that I submit substantially more margin-funds into non-protected, non-FDIC insured, non-SIPC eligible accounts, actually exposing me to increased risk in the event of bankruptcy of my Forex Broker.

I would NOT divert my business into regulated-Futures trading ,but rather would cause me to seek a higher-risk offshore FX broker to trade through. You will eliminate one of the greatest benefits of trading Forex : my ability to efficiently deploy my own trading capital in the way that I choose.

Lower FX vols require far greater leverage FX volatilities are generally substantially lower than in the Equities or Futures market. Therefore, significantly more leverage is required simply to capture equivalent trading opportunities. I do not want the CFTC to treat me like a child and dictate how I should trade. While 100-1 leverage is available to me - should I choose it - I am never forced to use it. The bottom line is that OTC Retail Forex trading is NOT Futures trading. Please do not try to treat it as such! PLEASE STRIKE YOUR PROPOSED 10-1 LEVERAGE LIMITATIONS. Don't let proposal RIN 3038-AC61 become an expensive lesson in unintended consequences.

Thank you,  
Adrian Oncel

**From:** Kyle Gillman <kylegillman@gmail.com>  
**Sent:** Sunday, January 24, 2010 7:33 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To whom it may concern:

By changing the rule to only having 10:1 leverage you're just accelerating the cash flow out of the USA. I'm new to Forex and learning, however I know enough that by changing to 10:1 there's a real slim shot at making it in this business. You are going to be taking away jobs, because every small retail trader will just open offshore accounts with different brokers that offer the higher leverage. Why don't you focus on trying to keep money in the states instead of imposing new regulations that will just drive money out. Let us live like adults and learn from our own mistakes.

Best,

Kyle

**From:** doreen hughes <dorhughes@pei.sympatico.ca>  
**Sent:** Sunday, January 24, 2010 7:34 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To Whom It Concerns,

Identification number RIN 3038-AC61

I am opposed to you regulating the leverage I must use as a retail Forex investor.

I have a right to invest with the leverage that I choose.

I believe this to is part of my Charter of Freedom and Rights.

North America is a democratic continent not communist.

CFTC, NFA, or any other government agency limiting our leverage availability is not eliminating fraud and deception not encouraging transparency.

Sincerely,  
Doreen Hughes



**From:** jdleal2007@comcast.net  
**Sent:** Sunday, January 24, 2010 7:35 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Leverage Change

---

To Whom it may Concern,

Please do not make a leverage change to 10:1, I didn't mind the first change when it was lowered to 100:1 since I think 100:1 is substantial to make a living. I have been breaking my back and splitting my brain in half studying long hours trading for the last 5 years and finally when I think its starting to work out for me you guys come and change everything and are not even giving me a chance to make my money back. I don't think that we (the wholesale trader) should move to international borkers when we have here in the US have great brokage firms. It is as I still remember a freedom of choice in this great country of ours, I hope. I appreciate your concerns in protecting us the little guys if in deed that is what you guys are intending to do, because at the moment it seems more like you guys are trying to get rid of us and slashing the leverage amount drastictly like you guys are doing it (10:1) is pretty much making us go outside of our own country. I never thought that would happened but I guess things happen for reasons....

P.S.

PLEASE DO NOT CHANGE THE LEVERAGE TO 10:1, GIVE US THE FREEDOM TO CHOOSE FOR OUR SELFS.

**Jaime Leal**  
Houston TX.

**From:** Stelios Dimitriou <steliosco@gmail.com>  
**Sent:** Sunday, January 24, 2010 7:41 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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**RIN 3038-AC61**

90% of the account will go offshore, mostly to the United Kingdom

- Thousands of high educated jobs will be lost
- An industry worth over \$1 billion gone, losing millions in taxable revenue.
- The proposal does not fix fraud, the subject the rule tries to adjust. Battle against unlicensed FDMs and IBs fix the fraud, not 10 to 1 leverage.
- 100 to 1 leverage is very popular. Traders simply will not accept 10 to 1 leverage.
- Unregulated dealers from around the world will also benefit.

**From:** Michelle Wood <shell.46@hotmail.com>  
**Sent:** Sunday, January 24, 2010 7:53 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** New leverage regulations

---

Hello,

I am writing in regard to what I have read recently about the new forex regulations which will mean for my trading account ibn forex I can only leverage my account 10:1. I am very much against this becoming a regulation as I trade every night after work as means for supplementing my income, I can sometime use leverage of 25:1 due to my relatively small risk exposure and a stop of 20 pips per trade. i trade on 15 minute charts, I assume people with a similar strategy to me in the lower timeframes would be in an even more dire situation as these regulations would seriously lower my profit potential. I think the problem is bucket shop brokers and lack of education and letting people know of the risks. otherwise, I do not think that we retail traders who make an honest living out of trading the forex market should be kciked out of the market effectively by lowering our profitability because others do not behave as would be prudent.

Thanks for your time.

Michelle.

---

Sell your old one fast! [Time for a new car?](#)

**From:** soundview528@aol.com  
**Sent:** Sunday, January 24, 2010 7:53 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** forex leverage

---

It is amazing to me that you would arbitrarily drop a 100:1 leverage to 10:1. for Forex traders. As a new trader I know full well of the risks involved and that I can only lose the amount I have in my account. There is no margin call. You seem to think you are protecting us ,but come on, we are adults here and all you will do is end up sending everyone overseas to trade. Finally there is a way for us to compensate for a ridiculous cost of living and you feel it is your right to take it away from the middle class, or what is left of it. I implore you to leave the leverage alone, please.

I have taught my friends and relatives how to trade and for the first time they feel as if they have some control over their lives. 10:1 will take that all away, because they don't have the big dollars that the rich do.

Sincerely,

C Braunstein (part time forex trader - teacher)

**From:** john guirguis <johnguirguis@hotmail.com>  
**Sent:** Sunday, January 24, 2010 7:56 PM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** Smith, Thomas J. <tsmith@CFTC.gov>; Bauer, Jennifer <JBauer@CFTC.gov>; Penner, William <WPenner@CFTC.gov>; Cummings, Christopher W. <ccummings@CFTC.gov>; Sanchez, Peter <PSanchez@CFTC.gov>  
**Subject:** STRONGLY OBJECT TO 10-1 LEVERAGE LIMIT IN REGULATION OF RETAIL FOREX PROPOSAL RIN 3038-AC61

---

Attn : David Stawick, Secretary, CFTC  
and ALL CFTC policymakers:

As a non-affiliated US-based Retail FX trader, please note for the record that I am STRONGLY OPPOSED to the 10-1 leverage limit as proposed in RIN 3038-AC61 relating to the Regulation of Retail Forex.

Counter-productive effects

This senseless limit would in NO way protect, aid or benefit me but rather would greatly harm me since this restriction, if passed,

- would require that I submit substantially more margin-funds into non-protected, non-FDIC insured, non-SIPC eligible accounts, actually exposing me to increased risk in the event of bankruptcy of my Forex Broker.
- would NOT divert my business into regulated-Futures trading (as the CFTC is probably hoping), but rather would cause me to seek an unreliable, higher-risk offshore FX broker to trade through, whose practices might be questionable.
- would eliminate one of the greatest benefits of trading Forex : My ability to efficiently deploy my own trading capital in the way that I choose.

Lower FX vols require far greater leverage

FX volatilities are generally substantially lower than in the Equities or Futures market. Therefore, significantly more leverage is required simply to capture equivalent trading opportunities.

Nanny not needed

I do not want the CFTC to treat me like a child and dictate how I should trade. While 100-1 leverage is available to me - should I choose it - I am never forced to use it.

The bottom line is that OTC Retail Forex trading is NOT Futures trading. Please do not try to treat it as such!

PLEASE IMMEDIATELY STRIKE YOUR PROPOSED 10-1 LEVERAGE LIMITATIONS.

Don't let proposal RIN 3038-AC61 become an expensive lesson in unintended consequences....

Thank you.

cheers  
John guirguis

---

Start searching NOW! [Search for properties that match your lifestyle!](#)

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 7:59 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

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Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Scott

last\_name Beasley

address1 4310 Elk Ridge Rd

city Lincoln

country United States

us\_state NE

zip 68516

company

Changing the leverage requirements from 100-1 to 10-1 will greatly effect my ability to earn income in a negative way. I depend on the extra income from my Forex account to suppliment my income in the difficult economic environment.

I still have a regular job but the looming threat of a layoff hangs over my head everyday. Now this new reduced leverage regulation threatens my ability to earn income even further.

Please leave the leverage rules at the current levels.

Thank you

Scott beasley



**From:** Stephen Lopez <wiredforgod@live.com>  
**Sent:** Sunday, January 24, 2010 8:05 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

I am very disturbed by your proposal to limit leverage on retail forex traders to 10:1. It forces out small time traders and caters to the rich. It seems like an attack on class. I am strongly against it and will be contacting my congressman.

---

Hotmail: Free, trusted and rich email service. [Get it now.](#)

**From:** Eric Frey <ric1312@sbcglobal.net>  
**Sent:** Sunday, January 24, 2010 8:16 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

RIN 3038-AC61

I would like to formally object to your CFTC's over regulation of the Forex market.  
In particular the latest hairbrained idea of limiting leverage to 10:1

You aren't helping traders and making trading less risky by limiting their leverage. If the complete morons who thought this up ever traded ANY instrument a day in their lives they would know that leverage isn't dangerous, over use of it by un educated traders is.

Less leverage will force less educated, less experienced traders who want to trade to open their first accounts with much larger amounts of capitol. Anyone whos been studying trading for any more than ten minutes knows that most traders lose their first accounts, because they don't have the skill. Even if they go on to be successful, they lose their first accounts.

I am a relatiavely successfull forex trader. I've been doing it for 3 years, and I started with a micro account of a few hundred just to try it out live. I blew up my first three accounts, but they were small amounts and I knew this was likely with my inexperience with live trading. Well, three years later and I am consistent and could easily live off of what I make. My point?

This would not be possible with 10:1 leverage. It would force a lot of new traders to start with large sums of money, which statistically, they will lose no matter the leverage ratio. These traders will likely be losing large savings, life savings and never coming back to trading, because they have no more money to trade. All because of your idiotic rules that are supposed to protect them. When if you just leave it alone, they would lose substantially less.

Also, consider this: I and propably just about every other successful forex trader, that isn't a millionaire, is going to take their bussiness overseas. I will not look for other U.S. markets to trade, even if they have more leverage. Why? Because you morons will come along and regulate that market as soon as I've learned to trade it.

So, not only will cause new traders to lose substantially larger amounts of money, you'll also cause American traders take their business overseas, which WILL hugely impact the U.S. economy and many forex related businesses in the U.S. will simply fold.

P.S. IMO you have absolutely no business regulating ANY market. Quite frankly I think the NFA just has an interest into forcing people out of forex in the hopes they will trade futures instead. (since for some reason they allow them larger leverage) If this is the case you should be disbanded and probably jailed. Don't be surprised if people show up to your offices wanting to show you just how they feel about a government agency taking away their livelyhood.

P.P.S. Who regulates you? What are the requirments to be the cftc? Have any of your policy makers even actually ever traded for a living?

**From:** Richard Goedeken <rg51758navixnet@hotmail.com>  
**Sent:** Sunday, January 24, 2010 8:21 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** 'Regulation of Retail Forex'

---

Reference: RIN 3038-AC61

**The recent increase in margin requirements from 200:1 to 100:1 for FOREX accounts is sufficient. Further increasing margin requirements will make FOREX trading through CFTC regulated accounts unprofitable. By adopting ANY increase in leverage requirements the CFTC will regulate itself out of responsibility for FOREX trading. Trading will move to overseas accounts.**

**From:** fdecordova@aol.com  
**Sent:** Sunday, January 24, 2010 8:32 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex - Respectfully Eliminate

---

Dear Secretary:

The Retail Forex is one of the last markets where the 'little' investor has opportunities for creating wealth. We as experienced and knowledgeable traders know the risks of trading in this market more than many care to know. By restricting the leverage to a maximum of ten to 1 you are eliminating the masses of traders who can trade effectively but do not have the capital to participate.

As the result, we will be forced to move our account investment outside the United States. Please reconsider and eliminate the leverage restriction from the proposed legislation.

Respectfully,

Francisco de Cordova

**From:** billkay <billkay@cableone.net>  
**Sent:** Sunday, January 24, 2010 8:34 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Reatail Forex'

---

We fell the present regulation is sufficient.  
RIN 3038  
Bill & Kay Keller

**From:** Ronda Jordan <ronda\_j@swbell.net>  
**Sent:** Sunday, January 24, 2010 8:43 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To whom it may concern:

My comments are directed toward the proposed CTFC 10:1 leverage limit. My main concern with this level of government intervention are the unintended consequences. For some, mainly large institutions, this may not affect them too much. However, for the retail trader and broker this regulation will be catastrophic. If this passes, it is likely to end retail forex brokering in the United States. It is not the 100:1 leverage that is the problem, but the lack of education and knowledge about the foreign exchange market.

Forex trading is not easy and those that succeed do so after much investment of education, money and time. This is true of any business, first you educate yourself on your market, product and the financial ins and outs, then you launch your business. With good money management and understanding of market forces hopefully the business is viable and profitable. If you rush into the business without a good plan and understanding of your market then you will lose your investment.

The government's regulatory role in the forex market should be to protect us from fiscal fraud, not from being able to click buy or sell with some leverage. I have looked at how this will affect my trading and surmised that I will have no choice but find a reputable broker overseas. I do not wish to do this as I believe in free enterprise and would like to see small businesses be helped instead of hindered by government intervention.

Thank you for your concern,

Ronda Jordan

**From:** michelle simpson <michelle@imperialfxtradingalerts.com>  
**Sent:** Sunday, January 24, 2010 8:47 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex Rin3030-AC61

---

Who is thinking of this. This sounds like just another way to control peoples choices and limit the types of people that can trade the forex markets and actually profit from it. Sounds like this proposal will only benefit the rich although not as much as before it closes the doors to anyone who does not have 10,000 dollars and above so no poor people allowed basically, Its like financial discrimination. I think to vote this policy ion would be a mistake and absolutely atrocious.

This is going to limit liquidity and volume and both companies and people are going to loose. The question is "who will this actually benefit?

**From:** honguyen@comcast.net  
**Sent:** Sunday, January 24, 2010 8:49 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex: RIN 3038-AC61

---

David Stawick, Secretary  
Commodity Futures Trading Commission  
1155 21st Street, N.W.,  
Washington, DC 20581

**Regarding RIN 3038-AC61**

FX is probably one of the least volatile traded assets in the global capital markets, which is why current regulations allow up to 100:1 leverage, the highest leverage of anything I have seen.

However, proposed 10:1 leverage is overkill, because this could widen bid/ask spreads, and therefore dry up liquidity. Compare this to current fixed-income futures trading, that leverage is around 100:4 ... which is 25:1

What I want to know is whether this proposed new leverage also applies to institutions, like CTAs or hedge funds.

I strongly support regulations in instruments that are responsible for the 2008 credit crisis: credit derivatives, credit structured products, and risky debt instruments such as high-yield loans.

I don't think it's necessary to change/modify any regulations for FX trading, because: 1) FX has some of the lowest volatilities compared to equities and fixed-income, and .. 2) FX is absolutely innocent of any boom/bust cycles throughout the 20th century and this century. Crises involving LTCM (fixed-income arbitrage), Amaranth (commodities), Bear Stearns (subprime mortgages), AIG (credit derivatives) and Lehman Brothers (mortgages and credit derivatives) have zero FX footprint or exposure. Black Monday in 1987 was a result of excessive stock speculation, which caused new regulations such as 2:1 leverage in equities. The Tequila Crisis in 1994 was a result of too much debt in Latin America, somewhat similar to too much mortgage debts in 2008.

However, I would be sympathetic if you want to reduce maximum leverage to something like 80:1, but 10:1 is absolutely counterproductive. I honestly believe that if 10:1 were to become law, it will creep back up to 30:1 not long after. And eventually it might go even higher.

If the CFTC wants to experiment with new regulations, let's start at 80:1 ... and give it a year to see how it works compared to other assets, before we do anything further.

Let's not over-react in FX, but instead focus regulations on Glass-Steagall and credit derivatives/structured products and risky debts.



**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 8:58 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

---

Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Donna

last\_name Ladd

address1 2152 Waynoka Rd

city Euclid

country United States

us\_state OH

zip 44117

company FX Solutions

I would like to say that when a regulatory company like the CFTC does the work it does to keep the market free of fraud and deceit for the forex market, it is very uplifting and rewarding to know they are there protecting the investments of common people. However, when it is done with conditions knowing that somewhere down the line the common, middle class and lower income people will have to be subjected to conditions that are so far fetched they would not be able to afford the to make any substancial gain in this market. Especially if the leverage is reduced to the proposed level. I think it is just another way of controlling people and keeping people at the level they are now, and never given the opportunity to even try to make it in this market, or any market, or in life unless it is done the way you want it. All it does is keep the system going as it all ways has. The rich get richer, middle class gets extinct, and the poor get poorer. I am totally against the reccomendation, and I hope you listen to the people and let them choose what the want.

Thank You,

Donna Ladd

**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 8:58 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

---

Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Terry

last\_name Benson

address1 15018 N 6th Cir

city Phoenix

country United States

us\_state AZ

zip 85023

company Personal

I am opposed to the new regulation lowering leverage on an account to 10 to 1. I am using forex as a means to support my family, especially in these times of economic problems. I would hope you would reconsider this decision and think of the many people this would negatively impact. Thank you for listening.

**From:** PRISTINEHOPE <Pristinehope@comcast.net>  
**Sent:** Sunday, January 24, 2010 9:04 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** FOREX AVAILABLE TO INDIVIDUALS

---

*I am writing to you for I have received word that a new law might abolish my rights to trade forex as an individual. This in turn could affect any individual to trade at minimum. That is unfair and Forex should not be accessible only to companies or the wealthy. Enough already on trying to put limitations on people who simply want and need to make a buck. This is outrageous and colleagues and I will not stand for it.*

*Wherever and whenever we will stand up against hedging or access to forex.*

*Your assistance on allowing the blue collar to advance by all investment modules available is important. Otherwise this is not a democracy.*

*Your cooperation in passing this plea will be appreciated.*

ROSE URANGA  
Pristinehope@comcast.net

**From:** Bill House <bhouse1273@gmail.com>  
**Sent:** Sunday, January 24, 2010 9:09 PM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** Stawick, David <dstawick@CFTC.gov>; Smith, Thomas J. <tsmith@CFTC.gov>; Bauer, Jennifer <JBauer@CFTC.gov>; Penner, William <WPenner@CFTC.gov>; Cummings, Christopher W. <ccummings@CFTC.gov>; Sanchez, Peter <PSanchez@CFTC.gov>  
**Subject:** RIN 3038-AC61

---

ATTN:  
Mr. David Stawick,  
Secretary  
Commodity Futures Trading Commission  
1155 21st Street, N.W.,  
Washington, DC 20581

FROM:  
William J. House, III

Mr. Secretary,

It has come to my attention that a proposal being put forward by your regulatory organization: RIN 3038-AC61 will have a great and, most possibly detrimental, impact on the foreign currency market in the United States and I was compelled to put my views and perspective on said proposal and its most likely effects into words.

The proposal to change the minimum capital leverage of 10:1 will severely cripple if not destroy the average retail forex trader's ability to fund or operate an account due to the need to already have or somehow appropriate 10 times the current amount of capital to maintain the same trading volume. If such a proposal is enacted average forex traders will have no choice but to move their funds to non-US accounts of foreign brokers to continue trading at the current market parameters. This will facilitate if not accelerate the amount of liquid funds already hemorrhaging from the US financial system from foreign and domestic investors alike leaving the US markets in the wake of the recent financial crisis. The proposed changes will only add to the exodus of wealth and prosperity leaving our shores.

If this happens not only will you be driving out the heart of a viable market that works and has worked for the American people and the world as an alternate source of revenue and financial stability, but you will also be driving good and honest traders into the arms of some totally unregulated and questionable offshore forex brokers who will mostly likely, with a 'captive audience' so-to-speak, be unscrupulous in their dealings with American investors and take them for every

dollar they have. That is money that could have stayed in the US market if only poorly constructed regulation had not driven them out and put all but the biggest and most-capitalized brokers out of business.

Regulation that strangles growth and stifles competition is not the answer to the financial woes of our great country. The true answer is judicious and carefully considered moderate regulation based on sound market principles that allow the risk necessary for growth while checking the fraudulent actions of dishonest players in the market, such as some brokers with predatory market tactics used to increase profits and scammers creating phony forex products and schemes. The number one component of any successful and fair regulation is EDUCATION. Educate the people on not just the rules and by-laws, but also on sleazy tactics that might be used against them.

You can't complain that people crash too much in traffic and then lower the speed limit to half of what it was in an attempt to prevent accidents if you never taught them to drive in the first place. In short: The proposed new rule of leverage limitations does not protect investors or traders. It will marginalize average retail traders into nothing. It will do exactly the opposite of protect them. It will drive force them into harm's way because an investor will now have to risk 10 times the amount as before to place the same trade or go into even riskier territory to make the same trade elsewhere. Please think about this before attempting to make this proposal law. In forbearance there is wisdom.

Sincerely,  
William J. House. III

**From:** Khalifa Rashid <mltckh@yahoo.com>  
**Sent:** Sunday, January 24, 2010 9:18 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** "Regulation of Retail Forex"

---

Dear David

**RIN 3038-AC61**

"I am not opposed to regulation nor regulatory agencies. But that regulation needs to be **fair, transparent, and open to public input**. Otherwise it becomes corrupt and self-serving. Sure high leverage can get you into trouble if used thoughtlessly. Sure hedging when not done properly turns one loss into two. But I believe the cure is **EDUCATION**, not restricting what people can and cannot do with their investment decisions. Guide, don't dominate - government was invented to protect people and their property, not to limit their potential."

**Regards,**  
**Frederick**



**From:** Amir Memartoluie <atoluie@gmail.com>  
**Sent:** Sunday, January 24, 2010 9:27 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To Whom it may concern,

I believe reducing the leverage ratio to 10:1 will cause many retail investors withdrawing their money and taking them to other countries.

Regards,

**From:** MARTHA RICHIE <richiestennis@sbcglobal.net>  
**Sent:** Sunday, January 24, 2010 9:35 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Do not change the Forex leverage to 10:1.  
This would affect my long term contracts  
Sudie Stennis  
12119 Hillcroft  
Houston, TX 77035  
713-728-9371

**From:** steviebumpers18@aol.com  
**Sent:** Sunday, January 24, 2010 9:37 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** currency trading new leverage proposal

---

My name is Steven Addonisio. I live in Brooklyn N.Y. The 10-1 leverage proposal is outrageous there are very few ways for people 2 make money now and this proposal is not going to help. If i have to i will move my account to a broker in another country which i really dont want to do. I trade with forex.com and are happy there. Please reconsider thankyou Steven Addonisio

**From:** Stawick, David <dstawick@CFTC.gov>  
**Sent:** Sunday, January 24, 2010 9:40 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Fw: RIN 3038-AC61

---

----- Original Message -----

From: Bill House <bhouse1273@gmail.com>

To: secretary

Cc: Stawick, David; Smith, Thomas J.; Bauer, Jennifer; Penner, William; Cummings, Christopher W.; Sanchez, Peter

Sent: Sun Jan 24 21:08:39 2010

Subject: RIN 3038-AC61

ATTN:

Mr. David Stawick,

Secretary

Commodity Futures Trading Commission

1155 21st Street, N.W.,

Washington, DC 20581

FROM:

William J. House, III

Mr. Secretary,

It has come to my attention that a proposal being put forward by your regulatory organization: RIN 3038-AC61 will have a great and, most possibly detrimental, impact on the foreign currency market in the United States and I was compelled to put my views and perspective on said proposal and its most likely effects into words.

The proposal to change the minimum capital leverage of 10:1 will severely cripple if not destroy the average retail forex trader's ability to fund or operate an account due to the need to already have or somehow appropriate 10 times the current amount of capital to maintain the same trading volume. If such a proposal is enacted average forex traders will have no choice but to move their funds to non-US accounts of foreign brokers to continue trading at the current market parameters. This will facilitate if not accelerate the amount of liquid funds already hemorrhaging from the US financial system from foreign and domestic investors alike leaving the US markets in the wake of the recent financial crisis. The proposed changes will only add to the exodus of wealth and prosperity leaving our shores.

If this happens not only will you be driving out the heart of a viable market that works and has worked for the American people and the world as an alternate source of revenue and financial stability, but you

will also be driving good and honest traders into the arms of some totally unregulated and questionable offshore forex brokers who will mostly likely, with a 'captive audience' so-to-speak, be unscrupulous in their dealings with American investors and take them for every dollar they have. That is money that could have stayed in the US market if only poorly constructed regulation had not driven them out and put all but the biggest and most-capitalized brokers out of business.

Regulation that strangles growth and stifles competition is not the answer to the financial woes of our great country. The true answer is judicious and carefully considered moderate regulation based on sound market principles that allow the risk necessary for growth while checking the fraudulent actions of dishonest players in the market, such as some brokers with predatory market tactics used to increase profits and scammers creating phony forex products and schemes. The number one component of any successful and fair regulation is EDUCATION. Educate the people on not just the rules and by-laws, but also on sleazy tactics that might be used against them.

You can't complain that people crash too much in traffic and then lower the speed limit to half of what it was in an attempt to prevent accidents if you never taught them to drive in the first place. In short: The proposed new rule of leverage limitations does not protect investors or traders. It will marginalize average retail traders into nothing. It will do exactly the opposite of protect them. It will drive force them into harm's way because an investor will now have to risk 10 times the amount as before to place the same trade or go into even riskier territory to make the same trade elsewhere. Please think about this before attempting to make this proposal law. In forbearance there is wisdom.

Sincerely,  
William J. House. III

**From:** Stanley Ki <stanleyki@live.com>  
**Sent:** Sunday, January 24, 2010 9:43 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** concerning forex proposal

---

To Whom it may concern,

I understand why 10:1 leverage is proposed.  
However as a trader, I am still against it.  
It will take out what makes Forex different.

If traders wants low leverage they can trade commodities/stocks instead  
Leave forex leverage system the way it is

respectfully,  
Stanley Simulya

---

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**From:** richard mullin <ricmullin@gmail.com>  
**Sent:** Sunday, January 24, 2010 9:49 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:**

---

To the CFTC

I am a retail trader and I am strongly opposed to the 10:1 leverage proposal by the CFTC. This regulation/requirement will drive many of the "smaller guys" out of the markets entirely or to offshore (ie unregulated) brokers.

The liquidity provided by retail traders increase the efficiency of the markets. Removing them, or unfairly pricing them out of the markets will result in increased price volatility overall and decrease the efficiency of the markets which is bad for everyone.

Please reconsider this proposal.

Thank you  
Richard M Mullin

From: whxljxlw <whxljxlw@163.com>  
Sent: Sunday, January 24, 2010 9:51 PM  
To: secretary <secretary@CFTC.gov>  
Subject: Regulation of Retail Forex

---

To whom it may concern:

I am a forex trader in China and I have been using US brokers for several years and very satisfied. Compared with other countries brokers, the aspects of US counterparties appealing me, which I think apply to other countries clients also, are:

- 1, Strong and respectable regulation bodies,
- 2, Sound and sophisticated financial infrastructure,
- 3, US as a country have a tradition for the protection of international investors,
- 4, US based forex firms are generally more financially solid and well-managed.

Regarding your recently regulation proposal, I fully agree to enhance industry oversight, but I don't like put any restrictions on leverage. Leverage is a very important tool for us seeking financial freedom as your American, and lowering leverage dramatically like this will not only hurt our clients feeling but also drive us to other countries (ie. unregulated) brokers despite above advantage. This is not a win-win situation, it's a lose-lose situation that you probably wouldn't expected.

Please reconsider your proposal.

Regards,

Hai Wang



**From:** Edmund morrison <edmundmorrison@gmail.com>  
**Sent:** Sunday, January 24, 2010 9:51 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex RIN 3038-AC61

---

I am writing in regards to the changes that I recently found out that maybe occurring to the leverage where all U.S. trading customers will be subject to a 10:1 leverage.  
I feel as a consumer I have the right to be able to decide which leverage would be more suited to my trading style and risk. I feel that this is unfair to the retail trader so I would like to end off saying I am against this change.

**From:** Douglas Hume <douglas.p.hume@gmail.com>  
**Sent:** Sunday, January 24, 2010 9:54 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Proposed Change in FOREX Leverage requirements

---

Dear Mr. or Ms. Secretary,

I am opposed to the proposed changes by the CFTC allowing a maximum leverage of only 10:1. The proposed changes are unreasonable when compared to functional leverage of futures trading in the US and FOREX trading in the UK and Canada. Please do not change the leverage requirements for FOREX trading.

Sincerely,

Douglas Hume  
414 Dunmore Road  
Fayetteville, NC 28303

**From:** marketprofits <marketprofits@gmail.com>  
**Sent:** Sunday, January 24, 2010 10:14 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Hello

Regarding the proposed CFTC regulations to reduce leverage for forex trading, I feel that you should review the situation. I do not agree with reducing leverage requirements:

1. Alternatively, you could reduce leverage, proportional to account size, thereby forcing larger accounts to have less leverage.
2. With this proposed change, you are potentially reducing profits of traders, which translates into less taxes for the federal government (... food for thought).

Thanks for the opportunity to input.  
Nicola Farinaccio

**From:** richard mullin <ricmullin@gmail.com>  
**Sent:** Sunday, January 24, 2010 10:25 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

I have spent the last six months or so learning the basics of Forex trading in anticipation of honing my skills over time, so that I might be able to generate a small supplemental cash flow in my retirement years. I have no illusions of great wealth and I am sensible and realistic in my goals. However I can now see a point in the near future when due to bureaucratic interference by uniformed pencil pushers in a heavy handed attempt to shatter another American dream for tens of thousands of small time retail traders, I may have difficulty making enough money to justify the effort no matter how high a skill level I achieve. If I am able to gain enough confidence in my abilities and decide to actually risk some money on this enterprise, I will be looking into obtaining an offshore account, even if it requires obtaining an offshore address in order to make it happen. After all, these new regulations on hedging and leveraging ratios, and any further regulation enacted by the NFA and the CFTC will only apply to the American retail trader will they not?

Richard M Mullin

**From:** Rohan Gillett <regillett@hotmail.com>  
**Sent:** Sunday, January 24, 2010 10:29 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of retail forex

---

To whom it may concern,

I am a retail trader and I am strongly opposed to the 10:1 leverage proposal by the CFTC. Even though I am an Australian who lives and works in Japan I fully support your retail Forex traders in the US. This new regulation will drive many traders out of US markets entirely or to offshore (ie unregulated) brokers.

I believe that the liquidity provided by retail traders increases the overall efficiency of the markets. Removing them from the markets will result in increased price volatility overall and impair the efficiency of the markets which isn't good for anyone.

I sincerely hope you will reconsider this proposal.

Thank you

Rohan Gillett

---

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**From:** drew potts <dru\_potts@yahoo.com>  
**Sent:** Sunday, January 24, 2010 10:26 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To whom it may concern,

I am a retail trader and I am strongly opposed to the 10:1 leverage proposal by the CFTC. This regulation/requirement will force myself and other of the "smaller guys" out of the markets in U.S, and to move brokerage accounts to offshore (ie unregulated) brokers.

The more traders there are in market, the more liquidity provided and hence increase the efficiency of the markets. Removing them, or unfairly pricing them out of the markets will result in a decrease in the efficiency of the markets which is bad for everyone.

Please reconsider this proposal.

Thank you

Dru Potts

**From:** Reuben Moses <reuben.moses@gmail.com>  
**Sent:** Sunday, January 24, 2010 10:42 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

Dear Sir/Maam,

The new proposed rules by CFTC to set a max limit of 10:1 leverage for retail forex traders will be devastating for small investors who depend on forex for thier livelihood. Most of us do not have the huge capital and therefore the current levarage levels help us invest with small amounts and thus help us achieve our targets. With the proposed limits on leverage, some of us may even be stripped off the chance to make a livelihood out of forex trading.

□□□□□□ It is my sincere request, not to change the leverage rules for retail forex so that people like me can participate and continue to use retail forex trading to make a living.

regards...reuben moses

**From:** Jeffrey Ford, MD <jfordmd@comcast.net>  
**Sent:** Sunday, January 24, 2010 10:53 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Pending regulations

---

Dear Secretary,

The proposed changes to CFTC regulation that result in reducing maximal forex account leverage to 10:1 from 100:1 will simply bring a halt to all CFTC regulated trading. All traders – including myself and my \$40,000 in account holdings will move to riskier unregulated accounts in and outside of the US. This will be a huge disservice to me, you will simply not be in a position to regulate my accounts. I would expect that your mandate would be to increase the safety of the forex markets in the United States for American investors. This will do the exact opposite!

Thank you for rethinking this latest bizarre unwanted change.

Jeffrey Ford, MD



**From:** Michael Licari <mlicari@luc.edu>  
**Sent:** Sunday, January 24, 2010 10:55 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

To Whom It May Concern,

As a retail Forex investor I recognize the importance of regulation that strengthens industry oversight. I agree with policing and regulating the industry, as was Congress' intent when empowering the CFTC to create additional rules. However, I don't agree with policies that might clearly disadvantage individuals in the United States. Therefore, I strongly oppose the proposed changes that would radically lower Forex leverage from 100:1 to 10:1 for all NFA and CFTC regulated Forex firms.

Thank you for the consideration,

Joe Gagnon  
5320 N Sheridan Rd. #2509  
Chicago, IL 60640  
773-561-6682  
Joe@Jagsite.com

**From:** Jaquin Global Real Estates & Goodwill Buy Sell Businesses  
**Sent:** Sunday, January 24, 2010 10:57 PM  
**To:** secretary <secretary@CFTC.gov>  
**Cc:** Ismail <saifismail87@yahoo.com.sg>  
**Subject:** Regulation of Retail Forex: RIN 3038-AC61

---

To Secretary of CFTC.gov

As a small forex trader whose only part time income source depends on, our the job market lacks luster and difficulty in finding a part time job at this moment.

The proposed new leverage is too little. We are very small traders.

My achievement is i can produce profits and manage losses well.

I want to teach poor people to earn USD 5-10 a day. I want to teach poor people how to retire. This is my opportunity to them. We are not gamblers, we are trying to make a little for ourselves by being smart. Something that poor people are short of.

I am not concerned about the rich people, but more how can i help poor people to improve and free educations in future, rather than poor children in asia, results in abuse and have no opportunity and taken advantage by bad people.

I want to teach people the risk management step first. then learn to make USD5-USD 10 per day.

All my talents if i could discover them goes into helping the poor people and something for myself. Forex is one of my small talent, and discovering to help people to make less losses and we have to compete with banks who have so much leverages and stop hunters who manuplicate and eat all small poor people miminal profits for survival.

Forex trading is not about luck.

We are not the great people who have millions of dollars to make a change in huge drops and to make up shock from sleep when you wake up in the morning, and to make your investment and purchases cry the next morning when rates are drastically differ.

Giving us a small leverage, may save US dollar for now, but not for long, I predict, if leverages will be 10:1. Euro will be the most traded currency, to CAD, To AUS, even NEW Zealand, with JPY and SGD. Inflation will be high. I assume. cause it is very difficult to value an item when currency arent able to fluctuate very much.

10% fluctuation has its effect.

It is good for all those nights and morning huge drop to be minimised. but it is not good for the whole world.

The worst case scenario, My advise if you must limit : then do it well. should limit 50:1 for banks and pass 100:1 for below 100k margin and lesser for those who have millions to trillions.

USD is a good currency in this world for poor nations , eg when i when to cambodia, everything was so

expensive. using USD .

eg. PIZZA in cambodia, is USD 6. with 10: 1 leavrage, Pizza cannot be valued well, and so inflation can take on massive huge figures. why?

Because USD has leverage of 10:1.

I Hope CFTC will consider its proposed leverage with a very deep understanding. You should understand the banana money thoery.

we are just small people trying to live but having a small income. if possible.

Thank you very much.

--

Ms. Jaquin  
Real Estate & Investment, Goodwill Business Broker,  
Global Businesses.

**From:** Laurie Judd <lsjopt@skymesh.com.au>  
**Sent:** Sunday, January 24, 2010 11:00 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** forex trading, retail conditions.

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Dear Sir/Madam,

I am writting with concern re the proposed changes being considered for the forex retail trading market, in particular the adjustments proposed to the leverage requirements.

Please take account that there is already an extraordinary system and asset in place. By that I mean it allows the free market system to operate and be open to all.

Yes I believe that the skill levels required to use forex successfully takes years of training and is with out doubt possibly the most differcult profession to learn and survive, there for it is vital to allow trainees as well as fully accomplished to have access to live and real systems without harsh entry conditions.

Never forget that all derivatives trading, forex included are instruments designed as an insurance action for all business to enter if they wish to do so.

As part of that system, intermediatry,small and sole traders have a part to play in balancing out the normal future business rythems, it is vital they do, to lesson extremes and keep the system honest and open to account.

My concern is that in this modern world a very very small percentage of business and for that matter the public knows little about the use and action of these instruments to protect there assets.

The instruments are not at fault, it is the lack of knowledge and unwarranted fear brought about by the lack of understanding that needs to be addressed.

Remember USA has the finest and best business systems in the world , all brought about by technology, asset protection and free enterprize. So make little adjustments only as it will have very big implications.

So for me I ask that you do not make any adjustments to the already excellent legislation as it will only serve to block the entrence for the decent young and very enterprising, in other words our future.

Thankyou for your attention to my request.

Bruny Island resident,  
Laurie Judd.

**From:** Laurie Judd <lsjopt@skymesh.com.au>  
**Sent:** Sunday, January 24, 2010 11:04 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** condition changes to forex

---

Dear Sir/Madam,

I am writting with concern re the proposed changes being considered for the forex retail trading market, in particular the adjustments proposed to the leverage requirements.

Please take account that there is already an extraordinary system and asset in place. By that I mean it allows the free market system to operate and be open to all.

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Thankyou for your attention to my request.

Bruny Island resident,  
Laurie Judd.

**From:** charles napoli <charlienap2000@yahoo.com>  
**Sent:** Sunday, January 24, 2010 11:05 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of retail Forex

---

To whom it may concern,

I would like to comment on the proposed regulations. I agree with the part that would make brokers register, as I was once ripped off by Refco when I first started on currencies. The part that I have the biggest problem with is the 10:1 margin regulation. Brokerages in America will suffer, and jobs will be lost to brokers in foreign countries. Honest brokers such as MB Trading will be losing jobs, and people like me will be forced to go to foreign brokers who are less reliable. The good rules you are proposing to close the registration loopholes won't matter if there aren't any U.S. Forex brokers left. I started with a small amount of capital 6 years ago, and since then I have managed to make a good living. Ive spent years developing my strategy, and I feel this will have all been wasted if this new margin regulations is put into law. I have always understood the risks involved, and I believe most people entering the Forex market understand this.

Sincerely,  
Charlie Napoli

**From:** Laurie Judd <lsjopt@skymesh.com.au>  
**Sent:** Sunday, January 24, 2010 11:09 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** condition changes to forex retail

---

Dear Sir/Madam,

I am writting with concern re the proposed changes being considered for the forex retail trading market, in particular the adjustments proposed to the leverage requirements.

Please take account that there is already an extraordinary system and asset in place. By that I mean it allows the free market system to operate and be open to all.

Yes I believe that the skill levels required to use forex successfully takes years of training and is with out doubt possibly the most differcult profession to learn and survive, there for it is vital to allow trainees as well as fully accomplished to have access to live and real systems without harsh entry conditions.

Never forget that all derivatives trading, forex included are instruments designed as an insurance action for all business to enter if they wish to do so.

As part of that system, intermediatry,small and sole traders have a part to play in balancing out the normal future business rythems, it is vital they do, to lesson extremes and keep the system honest and open to account.

My concern is that in this modern world a very very small percentage of business and for that matter the public knows little about the use and action of these instruments to protect there assets.

The instruments are not at fault, it is the lack of knowledge and unwarranted fear brought about by the lack of understanding that needs to be addressed.

Remember USA has the finest and best business systems in the world , all brought about by technology, asset protection and free enterprize. So make little adjustments only as it will have very big implications.

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Thankyou for your attention to my request.

Bruny Island resident,  
Laurie Judd.

**From:** Laurie Judd <lsjopt@skymesh.com.au>  
**Sent:** Sunday, January 24, 2010 11:19 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** condition change to forex entry

---

Dear Sir/Madam,

I am writting with concern re the proposed changes being considered for the forex retail trading market, in particular the adjustments proposed to the leverage requirements.

Please take account that there is already an extraordinary system and asset in place. By that I mean it allows the free market system to operate and be open to all.

Yes I believe that the skill levels required to use forex successfully takes years of training and is with out doubt possibly the most differcult profession to learn and survive, there for it is vital to allow trainees as well as fully accomplished to have access to live and real systems without harsh entry conditions.

Never forget that all derivatives trading, forex included are instruments designed as an insurance action for all business to enter if they wish to do so.

As part of that system, intermediatry,small and sole traders have a part to play in balancing out the normal future business rythems, it is vital they do, to lesson extremes and keep the system honest and open to account.

My concern is that in this modern world a very very small percentage of business and for that matter the public knows little about the use and action of these instruments to protect there assets and this more than any thing else needs to be addressed and understood.

The instruments are not at fault, it is the lack of knowledge and unwarranted fear brought about by the lack of understanding that needs to be addressed.

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Thankyou for your attention to my request.

Bruny Island resident,  
Laurie Judd.



**From:** David Newman <ilovemyspurs.newman729@gmail.com>  
**Sent:** Sunday, January 24, 2010 11:19 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

What's all the fuss? I have a 60k account..I trade 10 standard lots and average 10 pips a day and make close to 20 k a month. If this rule goes into effect, I now how to have a 600K account to do the same thing. Just because you probably trade mini-lots and it won't effect you, don't assume that people who make **real** money won't get affected. This isn't a stupid little game to me...Hell no to 10:1

**From:** Noel Jack <hibiscus1225@gmail.com>  
**Sent:** Sunday, January 24, 2010 11:33 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** REGULATION OF RETAIL FOREX - Do not change forex rules!

---

RIN 303-AC61

All traders should have the right to choose the amount of leverage that is appropriate for his/her risk appetite. We should have the RIGHT TO CHOOSE.

DO NOT CHANGE FOREX RULES.

GIVE US THE RIGHT TO CHOOSE. The change will adversely affect my trading and millions of traders in the US.

DO NOT CHANGE FOREX RULES.

**From:** ron emshoff <ronemshoff2002@yahoo.com>  
**Sent:** Sunday, January 24, 2010 11:34 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of retail forex

---

I am a trader and i am against the change to 10:1 leverage ratio.

this will only drive us to trade overseas.

ronald emshoff

**From:** Laurie Judd <lsjopt@skymesh.com.au>  
**Sent:** Sunday, January 24, 2010 11:36 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Industry Filings: Comments on Industry Submissions Re forex trading conditions.

---

Dear Sir/Madam,

I am writting with concern re the proposed changes being considered for the forex retail trading market, in particular the adjustments proposed to the leverage requirements.

Please take account that there is already an extraordinary system and asset in place. By that I mean it allows the free market system to operate and be open to all.

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So for me I ask that you do not make any adjustments to the already excellent legislation as it will only serve to block the entrence for the decent young and very enterprising, in other words our future.

Thankyou for your attention to my request.

Bruny Island resident,  
Laurie Judd.

**From:** a t <nomad388@yahoo.com>  
**Sent:** Sunday, January 24, 2010 11:46 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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Problem 1:

Actually, a person with \$1000 account could easily trade minis. Minis are \$1/pip, so a person trading a tight TF with a 20 pip SL could easily maintain a 2% risk.

Problem 2:

The assumption that someone with a \$1000 account only has \$1000 to trade with. With the lack of broker deposit insurance, it's a wise idea to keep what money you can in an insured account.

A person with a \$100,000 in trading capital might only wish to risk \$10,000 on any one broker, but might want to make trades based on their overall trading capital. This rule would force them to increase their risk.

Not everyone that trades with high leverage has a lotto mentality.

Problem 3:

The CFTC's ruling will not eliminate high leverage trading, it will only shift it overseas. A broker can establish a foreign branch or "partner company" (depending on specific legal details) and simply register as an introducing broker with the NFA to keep compliance. It's quite trivial, given how artificial national boundaries are on the web, to walk around this ruling.

All such a rule does is force people to increase their risks in order to maintain their current trading style. Ironic, given the CFTC's stated purpose.

Problem 4:

We should be focused on educating people, not playing to stereotypes. The idea that high leverage equals risk is only true when people don't know how to manage their risk. By playing into this, we reinforce a false premise and only serve to confuse people further.

This rule does not reduce risk, nor does it teach people the importance of risk management, nor does it do anything to dissuade the lottery mindset. All it does is slightly increase risk and play into a bad stereotype.

**From:** rexhiem@aol.com  
**Sent:** Sunday, January 24, 2010 11:51 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Proposed Regulation Concerning Retail Forex Trading.

---

The investor's capital principle of: freedom of risk choice, is threatened by the CTFC proposed regulation. The current regulation is working, DO NOT CHANGE IT! ... In the new CTFC regulation I will have to put up front ten times as much capital in order to make the one lot minimum trade. In the present regulation I need \$1000.00 cash in my account in order to trade one lot. In the proposed regulation I will need \$10,000.00 cash in my account in order to make the same one lot minimum trade! Big traders will be fine in the proposed regulation!; but the small trader, like myself, will be sacked out of the market! Sack small traders out of the financial markets! Is it that what big traders in collusion with government regulatory agencies want? That will be not good for the principle of competition in the economy; no good for financial small retail traders; no good for the economy of the country; and not good for the principle of good government of this country country! Please do good for America! Reject the proposed regulation concerning retail Forex trading! Thanks for your help!

**From:** Laurie Judd <lsjopt@skymesh.com.au>  
**Sent:** Sunday, January 24, 2010 11:52 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** forex retail trading conditions  
**Attach:** noname.odt

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**From:** rexhiem@aol.com  
**Sent:** Sunday, January 24, 2010 11:54 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Fwd: Proposed Regulation Concerning Retail Forex Trading.

---

-----Original Message-----

From: rexhiem@aol.com  
To: secretary@cftc.gov  
Sent: Sun, Jan 24, 2010 8:50 pm  
Subject: Proposed Regulation Concerning Retail Forex Trading.

The investor's capital principle of: freedom of risk choice, is threatened by the CTFC proposed regulation. The current regulation is working, DO NOT CHANGE IT! ... In the new CTFC regulation I will have to put up front ten times as much capital in order to make the one lot minimum trade. In the present regulation I need \$1000.00 cash in my account in order to trade one lot. In the proposed regulation I will need \$10,000.00 cash in my account in order to make the same one lot minimum trade! Big traders will be fine in the proposed regulation!; but the small trader, like myself, will be sacked out of the market! Sack small traders out of the financial markets! Is it that what big traders in collusion with government regulatory agencies want? That will be not good for the principle of competition in the economy; no good for financial small retail traders; no good for the economy of the country; and not good for the principle of good government of this country country! Please do good for America! Reject the proposed regulation concerning retail Forex trading! Thanks for your help!

Rex H. Oppenheimer.



**From:** Brian Lindholm <bklindholm@msn.com>  
**Sent:** Sunday, January 24, 2010 11:54 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

---

**RIN 3038-AC61**

**I strongly urge you not to change the leverage requirements to trade the forex market.**

Brian K Lindholm

**From:** Laurie Judd <lsjopt@skymesh.com.au>  
**Sent:** Sunday, January 24, 2010 11:57 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** forex retail trading conditions  
**Attach:** forex retail trading conditions.odt

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**From:** no-reply@erulemaking.net  
**Sent:** Sunday, January 24, 2010 11:59 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Public Submission for 2010-00456  
**Attach:** Public Submission for 2010-00456.zip

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Please refer to the attached file.

Please Do Not Reply This Email.

Public Comments on Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries:=====

Title: Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries

FR Document Number: 2010-00456

Legacy Document ID:

RIN: null

Publish Date: Wed Jan 20 00:00:00 EST 2010

Submitter Info:

first\_name Lance

last\_name Martin

address1 709 Flemish Ct

city Brentwood

country United States

us\_state CA

zip 94513

company

Please keep the leverage at 100-1. In this horrible economy, forex trading is helping my family with extra income. I am able to wisely utilize the 100-1 leverage, and not over-leverage. Instead of regulating the brokers to only allow 10-1 leverage, have the brokers better describe what risks are with 100-1 leverage and how to use it wisely. Please keep the leverage at 100-1, otherwise I most likely won't be able to trade the forex markets, which I have been trading for 5 years.

Thank you,  
Lance Martin

**From:** Allan Lurry [mailto:alurry@att.net]  
**Sent:** Sunday, January 24, 2010 12:47 AM  
**To:** secretary  
**Subject:** RIN 3038-AC61 - Regulation of Retail Forex - Proposed Regulation 5.9

Mr. David Stawick  
Secretary Commodity Futures Trading Commission  
1155 21st Street, N.W.  
Washington, DC 20581

**RE: RIN 3038-AC61 - Regulation of Retail Forex - Proposed Regulation 5.9**

Dear Mr. Stawick:

I reviewed the Federal Register, released January 20, 2010, to gain further insight of proposed regulations that would impact individuals, like myself, trading with RFEDs and FCMs. I like the new regulations that would require all involved in providing broker/dealer services to be registered. I also like proposed sections that will provide customer protection from failing and unscrupulous firms. This protection will boost confidence in the industry.

On the other hand, I have a serious concern regarding Proposed Regulation 5.9(a) – Security Deposits for Retail Forex Transactions. As an individual, I invested in training classes to prepare myself for a part time and possibly a full time career in trading the currency markets. The risk/reward scenario for every trade is in constant play for me. As a trader, risk is constantly analyzed for all my trades. Having access to a greater leverage makes my investment in training classes worth the time and effort. If the security deposit requirement is increased, the time and thousands of dollars invested in those classes will virtually be lost.

Last week, President Obama gave a speech introducing proposed bank regulations struck a nerve for me. In paraphrasing, Obama said that banks were taking risks that eventually the American taxpayer would have to cover. If the investment was good, banks profited big, with cheap money. If the investment was bad, banks lost and tax payers would have to cover the losses. As an individual, I make an investment and if it was good, I profited. If I make a bad investment, I lose. The difference between myself and the banks is that I can't ask the Federal Government to cover my losses.

I am thankful for the intention to protect individual customers like myself, but please do not increase the security deposit requirement as outlined in Proposed Regulation 5.9(a). As an individual trader, I fully understand the risks that I am exposed to. As a trader, the risk is always analyzed. For Proposed Regulation 5.9(b), may I suggest that it be written in such a way that "customers will not be held liable for trades that were not closed out at a zero balance"? This will encourage each RFED and FCM to incorporate procedures in their business process to ensure that losing positions are closed out to a zero balance. Mostly importantly it will effectively root out unscrupulous firms that look to take advantage of retail customers by not closing out losing positions.

Thanks for taking time to review my comments and suggestions regarding Proposed Regulation 5.9.

Sincerely,

A handwritten signature in black ink, appearing to read 'Allan', with a stylized flourish at the end.

Allan Lurry